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Labour Movements in Transitions to Democracy: The role of workers in democratisation

By

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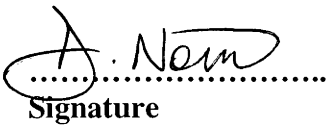
I declare that this thesis is my own original work.



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List of Acronyms

General

EOI	Export-Oriented Industrialisation
GNP	Gross National Product
IMF	International Monetary Fund
ISI	Import Substitution Industrialisation

Mexico

AHMSA	Altos Hornos de México
CNC	Confederación Nacional Campesina
CNOP	Confederación Nacional de Organizaciones Populares
CNT	Central Nacional de Trabajadores
COM	Casa del Obrero Mundial
CROC	Confederación Revolucionaria de Obreros y Campesinas
CT	Congreso del Trabajo
CTM	Confederación de Trabajadores de México
CUT	Confederación Única de Trabajadores
DINA	Diesel Nacional
EZLN	Ejército Zapatista de Liberación Nacional
FAT	Frente Auténtico Del Trabajo
FNAP	Frente Nacional Acción Popular
FRD	Frente Democrático Nacional
IFE	Instituto Federal Electoral
LFOPPE	Federal Law on Political Organisations and Electoral Processes
LFT	Ley de Trabajo
LP	Línea Proletaria
OAB	Ordem dos Advogados do Brasil
PAN	Partido Acción Nacional
PARM	Partido Auténtico de la Revolución Mexicana
PCM	Partido Comunista Mexicano
PDM	Partido Demócrata Mexicano
PNR	Partido Nacional Revolucionario
PPS	Partido Popular Socialista
PRD	Partido de la Revolución Democrática
PRI	Partido Revolucionario Institucional
PRM	Partido de la Revolución Mexicana
PRONASOL	Programa Nacional de Solidaridad
SINTIHA	Sindicato Independiente Nacional de Trabajadores de la Industria de Hierro y Acero
SME	Sindicato Mexicano de Electricistas
SNE	Sindicato Nacional de Electricistas Federales
SNTMMSRM	Sindicato Nacional de Trabajadores Minero-Metalúrgicos y Similares de la República Mexicana
STERM	Sindicato de Trabajadores Electricistas de la República Mexicana
STFRM	Sindicato de Trabajadores Ferrocarrileros de la República Mexicana

STRM	Sindicato de Telefonistas de la República Mexicana
SUTERM	Sindicato Unica de Trabajadores Electricistas de la República de México
TD	Tendencia Democrática
UGOCM	Unión General de Obreros y Campesinos de México
UNAM	Universidad Nacional Autónoma de México
UOI	Unión Obrera Independiente
UNT	Unión Nacional de Trabajadores

Brazil

ABI	Associacao Brasileira de Imprensa
ARENA	Aliança Renovadora Nacional
BNDES	Banco Nacional de Desenvolvimento Economico e Social
BOC	Bloco Operário e Componês
CDP	Comitê de Defesa Proletária
CEB	Christian Base Community
CGT	Comando Geral dos Trabalhadores
CLT	Consolidação das Leis do Trabalho
CNBB	National Conference of Brazilian Bishops
CNTI	Confederação Nacional dos Trabalhadores na Indústria
COB	Confederação Operária Brasileira
CPOS	Comitê Permanente das Organizações Sindicais
CRVD	Compania Vale do Rio Doce
DIEESE	Departamento Inter-sindical de Estudos Estatísticos e Socio-Económicos
DL-898	Decree-Law Number 898
DL-1632	Decree Law number 1632
DL-4330	Decree-Law Number 4330
DOI-CODI	Destacamento de Operações e Informações de Defesa Interna
FORJ	Federação Operária do Rio de Janeiro
IAP	Instituto de Aposentadoria e Pensões
MDB	Movimento Democrático Brasileiro
PCB	Partido Comunista do Brazil
PDS	Partido Democrático Social
PFL	Partido Frente Liberal
PMDB	Partido do Movimento Democrático Brasileiro
PRN	Partido da Reconstrução Nacional
PSD	Partido Social Democrático
PT	Partido dos Trabalhadores
PTB	Partido Trabalhista Brasileiro
PUA	Pacto de Unidade e Ação
SNI	Serviço Nacional de Informações
UDN	União Democrática Nacional

South Korea

CGWU	Chonggye Garment Workers Union
CKTU	Confederation of Korean Trade Unions
DJP	Democratic Justice Party

DLP	Democratic Liberal Party
DRP	Democratic Republican Party
EPB	Economic Planning Board
FKTU	Federation of Korean Trade Unions
HCI	Heavy Chemical Industries
JOC	Young Catholic Workers' Organisation
KCIA	Korean Central Intelligence Agency
KCLW	Korean Council for Labour Welfare
KPR	Korean People's Republic
KWAU	Korean Women's Associations United
KWWA	Korean Women Workers Associations
MFEZ	Masan Free Export Zone
NAD	National Alliance for Democracy
NCDC	National Coalition for a Democratic Constitution
NCPCRJ	National Catholic Priests' Corps for the Realisation of Justice
NCTU	National Congress of Trade Unions
NDP	New Democratic Party
NDRP	New Democratic Republican Party
NMHDC	National Movement Headquarter for Democratic Constitution
NKDP	New Korea Democratic Party
NTEWU	National Teachers' and Educational Workers' Unions
PMCDR	People's Movement Coalition for Democracy and Reunification
PPD	Party for Peace and Democracy
RDP	Reunification Democratic Party
UIM	Urban Industrial Mission
UNP	Unification National Party
USAMGIK	US Army Military Government in Korea

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Abstract

Transitions to democracy have generated an extensive body of literature which seeks to explain how authoritarian regimes become democracies. One body of thought, known as 'transitology', adopts an elite-centric view of democratic change. In particular, 'elite-led transitology' argues that democracy is brought about by the decisions and actions of those in the higher echelons of government, that is, the political elite. Elite-led transitology's focus remains at the higher-level of politics and as such, a particular type of transition to democracy is advocated – one which leads to the installation of a conservative democratic government. This thesis argues that democratisation was also the result of extensive popular opposition to authoritarian regimes. In the three case studies, Mexico, Brazil and South Korea, the labour movement in particular played an important role in propelling the transition to democracy forward.

Government repression of the labour movement resulted in a potentially explosive situation for authoritarian regimes. Industrialisation was predicated on low wage labour combined with brutal working conditions and particularly harsh treatment on the shop-floor. Because of the strict system of worker control in each country and the importance of economic development for political legitimacy, any disruption was dangerous for the status quo. The containment of pent-up worker grievances however, could not continue indefinitely. Workers had the potential (and indeed utilised this potential) to mount systematic opposition to governments. The manner in which this occurred was different in the three case studies and it influenced the type of transitions which each underwent. In all of the case studies, the labour movement led protests calling for installation of democratic government. Labour sparked off extensive demonstrations – large sections of the middle class also voiced their frustrations towards repressive governments. Such opposition placed considerable strain on the government's ability to maintain its grip on political mobilisation. By placing tremendous pressure on the government, the labour movement played a crucial role in initiating democratic transitions. This thesis, therefore, is revisionist – it is a bottom-up perspective rather than the top-down approach. It argues for a more balanced model which not only takes into account higher-level political processes, but also, acknowledges the importance of popular mobilisation and in particular, the labour movement, in bringing down authoritarian governments.

CHAPTER 1: REVIEW OF DEMOCRATISATION THEORY - 'ELITE-LED TRANSITOLOGY'

TRANSITIONS TO DEMOCRACY: A BACKGROUND

The study of democratisation has generated a wealth of literature in the past twenty years which seeks to account for the processes which foster democracy and lead to the demise of authoritarian regimes. 'Transitology' is the school of thought associated with 'transitions to democracy'. Interest in how authoritarian regimes develop into democracies is not a recent phenomenon. Scholars and policy analysts have been theorising about democratisation for decades, from Seymour Martin Lipset's concern with the importance of economic development for promoting and sustaining democracy, to Samuel Huntington's classification of 'waves of democracy' through different periods.[1] Huntington dated the first wave as beginning in the United States in the early nineteenth century and reaching its peak at the end of World War I with 30 countries which were classified as democratic.[2] The second wave occurred after World War II and continued into the early 1960s, with 36 countries becoming democracies.[3] Democracy's third wave began in 1974 and by the early 1990s, another 30 countries had adopted democratic forms of government.[4]

The field of 'transitology' has become the dominant paradigm in the social sciences for conceptualising the processes of democratisation. Transitions to democracy literature emerged as a school of thought in the 1970s, with seminal texts which sought to explain the breakdown of authoritarianism in Spain, Portugal and Greece. This was followed by transitions in Latin America and Africa in the 1980s and 1990s and Eastern Europe in the 1990s. With each of these decades however, the theory underwent some slight changes in order to account for the differences between regions – the experiences of Eastern Europe were seen as particularly urgent reasons for modifying the theory. Nevertheless, a continued assumption in the literature was that certain common features could be found in

[1] Lipset, Seymour Martin, 'Some Social Requisites of Democracy: Economic Development and Political Legitimacy', *The American Political Science Review*, Vol. 53, No. 1, March 1959
[2] Huntington, Samuel, 'How Countries Democratise', *Political Science Quarterly*, Vol. 106, No. 4, Winter 1991-1992, p.579.
[3] *ibid.*
[4] Huntington, Samuel, *The Third Wave: Democratisation in the Late Twentieth Century*, Norman and London: University of Oklahoma Press, 1993, p.12.

each of these countries. Although there is disagreement over the nature and significance of these commonalities, the basic premise remains the same – democracy is essentially an elite affair in which ordinary people are conspicuously absent.

While earlier theorists such as Seymour Martin Lipset and Barrington Moore saw democratisation as the result of the modernisation of social structures, some transitologists shifted the focus on elite actors and top-level processes of political change. Referred to as 'strategic choice', this approach focuses on the decisions (or choices) of individual actors, their interactions with other elite actors, as well as their interactions with the formal rules of politics.[5] The theoretical roots of the 'strategic choice' perspective are pioneered in Dankwart Rustow's work and especially his 1970 article 'Transitions to Democracy: Toward a Dynamic Model'.[6] Rustow proposes that transitions must follow a certain pattern: background conditions, preparatory phase, decision phase, and a habituation phase. The role of elites is emphasised in the 'decision phase' where a small group of leaders is likely to play a "disproportionate role" in deciding the nature of the democratic regime which will emerge.[7] Rustow broke with the earlier tradition which explained the rise of democracy largely as a function of certain 'social correlates' of modernisation – for example, urbanisation and the spread of literacy.[8] Instead, Rustow directed attention toward the political conflicts and dynamic interaction through which a democratic compromise, or political 'pacts' might emerge.[9]

During the 1970s and 1980s, the 'strategic choice' perspective became influential in democratisation studies, and analysts turned their attention to the choices, preferences and bargains of elite political actors in the transition.[10] While earlier explanations had been concerned with long-term developments of socio-economic structures, the 'strategic choice'

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[5] Whitehead, Laurence, 'Democratic Transitions', *The Oxford Companion to the Politics of the World*, 2nd ed., Krieger, Joel (ed), Oxford University Press, *Oxford Reference Online*, 2001. Accessed 25 April, 2004. http://www.oxfordreference.com/views/ENTRY.html?subview=Main&entry=t121.e0184

[6] Rustow, Dankwart A., 'Transitions to Democracy: Toward a Dynamic Model', *Comparative Politics*, Vol. 3, April 1970.

[7] Pridham, Geoffrey, 'Democratic Transitions in Theory and Practice: Southern European Lessons for Eastern Europe?' in Geoffrey Pridham and Tatu Vanhanen (eds), *Democratisation in Eastern Europe: Domestic and International Perspectives*, London: Routledge, 1993, p.78.

[8] Whitehead, 'Democratic Transitions', in Krieger, *op.cit.*

[9] *ibid.*

[10] Anderson, Lisa, 'Introduction', *Comparative Politics*, Vol. 29, No. 3, April 1997, pps.255-256.

view gave priority to short-term determinants of the actual transition process.[11] It also tended to define actors strategically (e.g. hardliners and softliners) with respect to their position in the 'transition game'.[12] Some of the more prominent scholars of this position include Guillermo O'Donnell, Philippe C. Schmitter, Adam Przeworski, Scott Mainwaring, Larry Diamond, Juan J. Linz and Laurence Whitehead, among others. 'Transitology' is a broad school of thought and there are many differences between the dominant transitologists – they cannot all be lumped into single, unified category. However, a theme which runs throughout the literature is the notion that democracy emerges as a result of complex negotiations and bargaining at the highest levels of government. As such, the main focus in this thesis is centred on the transitologists who argue that transitions to democracy are led by elite actors – 'elite-led' transitologists. For O'Donnell, Schmitter, Przeworski, Mainwaring, Diamond, Linz and Whitehead, the important political choices and designs are those taken or crafted by top policymakers.[13] In such a formulation, there is little room for the popular classes in bringing about democratic change – their role is relegated to the margins of formal politics.

The term 'transitions to democracy' incorporates several features. For two leading transitologists, Guillermo O'Donnell and Philippe C. Schmitter, the transition is "the interval between one political regime and another ... our efforts generally stop at the moment that a new regime is installed...".[14] The focus here, and what is seen as preferable by O'Donnell and Schmitter, are democratic transitions. As an interval, the transition is seen as a relatively short space of time in which the rules of the political game remain undefined.[15] This is an interval where 'uncertainty' dominates, where the rules of the game are constantly in flux and where there is intense struggle between actors regarding the type

[11] Pridham, Geoffrey and Tatu Vanhanen, 'Introduction', in Pridham and Vanhanen, *Democratisation in Eastern Europe*, *op.cit.*, p.2.
[12] Berins Collier, Ruth and James Mahoney, 'Adding Collective Actors to Collective Outcomes: Labour and Recent Democratisation in South America and Southern Europe', in Lisa Anderson (ed), *Transitions to Democracy*, New York: Columbia University Press, 1999, p.98.
[13] Fish, M. Steven, 'Postcommunist Subversion: Social Science and Democratisation in East Europe and Eurasia', *Slavic Review*, Vol. 58, No. 4, Winter 1999, p.811.
[14] O'Donnell, Guillermo and Philippe C. Schmitter, *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies*, Vol. 4, Baltimore: The Johns Hopkins University Press, 1986, p.6.
[15] *ibid.*

of regime which will be established.[16] A detailed definition of 'democratic transition' is provided by Geoffrey Pridham and Tatu Vanhanen:

> By democratic transition we refer to a stage of regime change commencing at the point when the previous totalitarian/authoritarian system begins to collapse, leading to the situation when, with a new constitution in place, the democratic structures become routinised and the political elites adjust their behaviour to liberal democratic norms. Transition tasks involve, above all, negotiating the constitutional settlement and settling the rules of procedure for competition...[17].

A number of features emerge from this definition which are central to transitology. One major premise is that the 'transition' is one towards liberal democracy – hence, there is a normative dimension in the concept. O'Donnell explicitly makes the point that one of the general themes in *Transitions from Authoritarian Rule,* is that the authors "had from the outset a normative bias, coupled and reinforced by an empirical generalisation. We have considered political democracy as desirable per se".[18] There is also a general consensus about the type of democracy which countries are moving toward, that is, the establishment of a 'procedural minimum' in which actors agree upon necessary elements of political democracy.[19] These include secret balloting, universal adult suffrage, regular elections, partisan competition, associational recognition and access and executive accountability.[20] Transition tasks involve, above all, negotiating the constitutional settlement and finalising the rules of procedure for political competition, but also dismantling authoritarian agencies and abolishing laws unsuitable for democratic politics.[21] The transition model promoted by transitologists, therefore, is a 'liberal' model.[22]

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[16] *ibid.*
[17] Pridham and Vanhanen, 'Introduction', in Pridham and Vanhanen, *op.cit.*, p.2.
[18] O'Donnell, Guillermo, 'Introduction to the Latin American Cases', in O'Donnell, Guillermo, Philippe C. Schmitter and Laurence Whitehead (eds), *Transitions from Authoritarian Rule: Latin America*, Vol. 2, Baltimore: The Johns Hopkins University Press, 1986, p.10.
[19] O'Donnell and Schmitter, *Transitions from Authoritarian Rule,* Vol. 4, *op.cit.*, p.8.
[20] *ibid.*
[21] Agh, Attila, *The Politics of Central Europe*, London: Sage Publications, 1998, p.17.
[22] Lievesley, Geraldine, *Democracy in Latin America: Mobilisation, Power and the Search for a New Politics*, Manchester: Manchester University Press, 1999, p.11.

The transition process remains primarily an affair between the outgoing regime elites, and the leaders of the opposition movement. For transitologists, the stages of transition are largely characterised by four political actors: hardliners and reformers (or softliners) inside the authoritarian bloc, and moderates and radicals in the opposition.[23] O'Donnell argues that the transition unfolds as the main political actors, the softliners and hardliners within the regime, and the opposition, play a game of "coup poker".[24] The threat of a coup from the hardliners within the regime is what forces the softliners and the opposition to compromise and this helps to explain the moderation of the democratic opposition in successful transitions.[25] Mobilisation of civil society and mass unrest, combined with the prospects of having to overthrow the softliners within its ranks, means that to hardliners, the costs of repressing the regime's opponents are too high.[26] The factionalism of the regime, according to O'Donnell and Schmitter, is likely to increase to the point that the soft-liners come to recognise the interest they share with the opposition in avoiding a return to full-fledged authoritarian rule.[27] These factors then influence the establishment of 'pacts' or agreements between softliners and other actors who have interests in installing a liberal democracy.[28]

The eventual outcome of transitions, therefore, is a complex process of negotiations, compromise, deliberations, agreements and concessions among the four main political actors. Negotiation and deliberation continue until the last stage is reached: elections. Once elections have been called, it is parties that dominate the political scene. Parties are seen as important by transitologists for several reasons, they generate symbols of political identity that bridge many of the gaps that otherwise divide major sectors of society such as class, status, family, gender, religion, region, ethnicity and language.[29] Parties also play an important role at this juncture because they have a stake in determining the definition of rules under which the contest will take place.[30]

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[23] Przeworski, Adam, *Democracy and the Market: Political and Economic Reforms in Eastern Europe and Latin America*, Cambridge: Cambridge University Press, 1991, p.67.
[24] O'Donnell and Schmitter, *Transitions from Authoritarian Rule,* Vol. 4, *op.cit.*, p.24.
[25] O'Donnell, Guillermo, 'Transitions to Democracy': Some Navigation Instruments', in Robert Pastor (ed), *Democracy in the Americas: Stopping the Pendulum*, New York: Holmes and Meier, 1989, p.68.
[26] O'Donnell and Schmitter, *Transitions from Authoritarian Rule,* Vol. 4, *op.cit.*, p.24.
[27] *ibid,* pps.24-25.
[28] *ibid*, p.25.
[29] O'Donnell, 'Transitions to Democracy', in Pastor, *op.cit.,* p.70.
[30] O'Donnell and Schmitter, *Transitions from Authoritarian Rule,* Vol. 4, *op.cit.*, p.59.

The elite focus is maintained by several transitologists throughout the succeeding stages of the transition. At the stage when elections are scheduled, opponents of the authoritarian regime have an incentive to cooperate with softliners in the regime in order to ensure that the elections will not be cancelled by a coup.[31] This phase involves compromise and deals between the transitional regime and political parties in order to institute a particular type of democracy – liberal democracy.[32] The interest that parties have in defining the democracy that will emerge also propels them, according to O'Donnell, into converging with the softliners in detailed negotiations.[33] The transition process is formulated as a series of improvisations under pressure through which the composition and objectives of the authoritarian coalition are shifted toward cooperation and convergence with the more temperate elements of the opposition.[34] This leads to another shared concern of elite-led transitologists: the critical role of pacts.

A basic typology of transitions is presented by Terry Lynn Karl and Schmitter in which pacts form the foundations of a successful transition to democracy. This typology highlights transitology's predilection for elite control over the course of the transition. For Karl and Schmitter, there are four types of regime transition.[35] The first is 'transition by pact', whereby elites agree upon a multilateral compromise among themselves. The second is 'transition by imposition', when elites use force unilaterally and effectively to bring about a regime change against the resistance of incumbents. The third is 'transition by reform', when masses mobilise from below and impose a compromised outcome without resorting to violence. The final mode is 'transition by revolution', where the masses rise up in arms and defeat the previous authoritarian rulers militarily.[36] For example, Brazil is classified by Karl and Schmitter as a transition by imposition, as the military utilised its dominant position in society in order to establish unilaterally the rules for civilian government.[37]

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[31] O'Donnell, 'Transitions to Democracy', in Pastor, *op.cit.*, p.70.
[32] O'Donnell and Schmitter, *Transitions from Authoritarian Rule,* Vol. 4, *op.cit.*, p.59.
[33] O'Donnell, 'Transitions to Democracy', in Pastor, *op.cit.*, p.70.
[34] Whitehead, 'Democratic Transitions', in Krieger, *op.cit.*
[35] Karl, Terry Lynn and Philippe C. Schmitter, 'Modes of Transition in Latin America, Southern and Eastern Europe', *International Social Science Journal*, Vol. 128, 1991, pps.274-276.
[36] Karl and Schmitter, 'Modes of Transition in Latin America, Southern and Eastern Europe', *op.cit.*, p.275.
[37] *ibid.*, p.280.

Karl argues that in Latin America, the most frequently encountered types of transition, and the ones which have most often resulted in the implantation of a political democracy, are 'transitions from above'. These are transitions where traditional rulers remain in control, even if pressured from below, and successfully use strategies of either compromise or force, or a mixture of both, to retain part of their power.[38] O'Donnell and Schmitter share similar reservations regarding transitions through mass struggle:

> A 'transfer of power', in which incumbents hand over control of the state to some faction of their supporters, or a 'surrender of power', where they negotiate the transition with some of their nonmaximalist [non-radical] opponents, seems more propitious for the installation and consolidation of democracy than an 'overthrow of power' by implacable antagonists.[39]

Karl and Schmitter argue that stable democracy does not result from transition through reform in which (non-violent) mass mobilisation is a primary feature.[40] Stable democracy also does not result from a revolution of the masses. The most successful transitions and the ones which are more likely to result in stability are 'transitions by pact' and 'transitions by imposition'.[41] Karl and Schmitter's typology highlights a common recurring feature of elite-led transitology: distaste for mass mobilisation and popular participation in transition politics. By placing such a heavy emphasis on transitions controlled from above, elite-led transitology not only overlooks the role of social movements in the transition, but where it does acknowledge an expanded role for mass involvement – 'transition by reform' and 'transition by revolution' – it is viewed as dangerous and undesirable.

For elite-led transitologists, negotiated pacts are the most favourable and desirable way of instituting a successful transition to democracy. These are agreements between regime and opposition elites that establish the rules of the new democratic game.[42] They institute formulas for sharing or alternating in office, distributing the rewards of office and

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[38] Karl, Terry Lynn, 'Dilemmas of Democratisation in Latin America', *Comparative Politics*, Vol. 23, No. 1, Oct 1990, pps.8-9.
[39] O'Donnell and Schmitter, *Transitions from Authoritarian Rule*, Vol. 4, *op.cit.*, p.11.
[40] Karl and Schmitter, 'Modes of Transition in Latin America, Southern and Eastern Europe', *op.cit.*, p.282.
[41] *ibid.*
[42] Geddes, Barbara, 'What Do We Know about Democratisation after Twenty Years?' *Annual Review of Political Science*, Vol. 2, 1999, p.120.

constraining policy choice in areas of high salience to the elite groups involved, while excluding other groups from office and influence over policy.[43] Pacts are viewed as ensuring the survival of the newly emerging democratic regime by making the rules of democratic politics acceptable to the largest proportion of the elite population.[44] The competitive elections which are then held are intended (as a result of the pacts negotiated), to produce a government that is broadly representative of both authoritarians and democrats.[45] These pacts are restrictive, as they seek to limit the scope of popular representation in order to assure the traditional dominant classes that their interests will be protected.[46]

In essence, pacts are "antidemocratic mechanisms", as they are negotiated by elite actors who seek to construct a deliberate socioeconomic and political contract which will restrict mass mobilisation during the transition and limit its ability to access political power in the long-term.[47] Despite this anti-democratic aspect, O'Donnell and Schmitter argue that where pacts are a feature of transitions, they are desirable because they "enhance the probability that the process will lead to a viable political democracy".[48] This is because pacts are seen by O'Donnell, Schmitter and other elite-led transitologists as removing from the political agenda sources of "potentially destabilising conflict".[49] That potentially destabilising force consists of the popular sector and mass movements in general.

The emphasis on pacts reinforces the predominantly top-down focus of elite-led transitology. One of the major problems is that democratic actors in the transition are outnumbered by non-democratic actors in 'transitions by pact' and 'transitions by imposition'.[50] This is acknowledged by O'Donnell, where he observes that such transitions create a paradoxical situation: "A minority of actors must advance the country toward the

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[43] *ibid.*
[44] Shin, Doh Chull, 'On the Third Wave of Democratisation: A Synthesis and Evaluation of Recent Theory', *World Politics*, Vol. 47, No. 1, October 1994, p.167.
[45] Bunce, Valerie, 'Rethinking Recent Democratisation: Lessons from the Postcommunist Experience', *World Politics*, Vol. 55, No. 2, 2003, p.171.
[46] Karl, 'Dilemmas of Democratisation in Latin America', *op.cit.*, p.11.
[47] *ibid.*, pps.11-12.
[48] O'Donnell and Schmitter, *Transitions from Authoritarian Rule*, Vol. 4, *op.cit.*, p.39.
[49] Hagopian, Francis, '"Democracy by Undemocratic Means?" Elites, Political Pacts and Regime Transition in Brazil', *Comparative Political Studies*, Vol. 23, No. 2, July 1990, p.149.
[50] Shin, *op.cit.*, p.168.

consolidation of a political regime based on the principle of majority rule".[51] The contradiction between using undemocratic means to install a democratic government can be seen in the Brazilian case. A secretive pact was negotiated in 1985 by the leader of the opposition party, Tancredo Neves and the outgoing military which guaranteed the armed forces that there would be no 'revision of the past' and ensured them an extensive role in the future government.[52] Such measures are seen as necessary in order to ensure security in the newly emerging democratic system. O'Donnell and Schmitter acknowledge the uncertain nature of the transition when they argue that transitions are not a linear or rational process because there is too much uncertainty about capabilities and "too much suspicion" about intentions for such outcomes.[53] Pacts are viewed as a central way of reducing the uncertainty of a transition to democracy and guaranteeing a level of stability, despite their undemocratic nature.

POLITICAL ELITES: TRANSITOLOGY'S MAIN FOCUS

For elite-led transitologists, the starting point in the breakdown of authoritarian regimes is within the ranks of the regime elite, as a result of splits within it. O'Donnell and Schmitter state that "there is no transition whose beginning is not the consequence – direct or indirect – of important divisions within the authoritarian regime itself, principally along the fluctuating cleavage between hard-liners and soft-liners".[54] This leads to their conclusion that the factors which lead to transition can be located overwhelmingly in domestic, internal causes.[55] Schisms within the military-authoritarian regime are seen as occurring either because of the failures of authoritarian regimes, or due to a "paradox of success", according to Scott Mainwaring.[56] Economic success is defined as having achieved high levels of economic growth, and political success is regarded as having crushed the most serious

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[51] O'Donnell, Guillermo, 'Challenges to Democratisation in Brazil', *World Policy Journal*, Vol. 5, No. 2, Spring 1988, pps.283-284.
[52] *ibid.*, p.286.
[53] O'Donnell and Schmitter, *Transitions from Authoritarian Rule*, Vol. 4, *op.cit.*, p.72.
[54] *ibid*, p.19.
[55] *ibid.*, p.18.
[56] Mainwaring, Scott, 'Transitions to Democracy and Democratic Consolidation: Theoretical and Comparative Issues', in Mainwaring, Scott, Guillermo O'Donnell and J. Samuel Valenzuela (eds), *Issues in Democratic Consolidation: The New South American Democracies in Comparative Perspective,* Indiana, Notre Dame: University of Notre Dame Press, 1992, p.299.

threats to the regime. These successes, according to Mainwaring, convince authoritarian elites that they have little to lose by opening the political system and a lot to gain, including domestic legitimacy.[57]

Liberalisation however, is a phenomenon which is distinguished from democratisation. Mainwaring defines liberalisation as "an easing of repression and extension of civil liberties *within* an authoritarian regime, whereas a transition to democracy implies a change *of* regimes".[58] Przeworski puts forward several factors which explain why liberalisation occurs. Two of these factors are common in all shades of transitology – either liberalisation as a result of the regime's loss of legitimacy or conflicts within the ruling bloc, particularly within the military.[59] For transitologists Eduardo Viola and Mainwaring, the Brazilian transition commenced around 1974 at the initiative of regime elites, who considered the moment favourable for a political opening *(abertura).*[60] It was favourable, according to Mainwaring and Viola, because the guerrilla left had been repressed by the military, popular movements were under control, the government did not face any radical opposition and it had significant support in civil society. The economic situation was also an important factor in the decision to liberalise, as economic recovery not only bolstered regime support, it also "led to a feeling that the economy was in good hands and could withstand minor changes in the political system".[61] Within the military ranks, it was also a concern that opening the political system might reduce some of the tensions created by the years of tighter authoritarian control, and ameliorate tensions within the armed forces.[62] One of the pressures on the military regime was the partial erosion of support for it within leading sectors of the industrial bourgeoisie, which began to favour a more open and less statist form of government in 1974.[63] The military was forced into the position of making a choice between beginning the long-term institutionalisation of its power or conversely, commencing the liberalisation process.[64]

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[57] *ibid.*
[58] author's italics, *ibid.*, p.298.
[59] Przeworski, Adam, 'Some Problems in the Study of the Transition to Democracy', in O'Donnell, Guillermo, Philippe C. Schmitter and Laurence Whitehead (eds), *Transitions from Authoritarian Rule: Comparative Perspectives*, Vol. 3, Baltimore: The Johns Hopkins University Press, 1986, p.50.
[60] Viola, Eduardo and Scott Mainwaring, 'Transitions to Democracy: Brazil and Argentina in the 1980s', *Journal of International Affairs*, Vol. 38, No. 2, Winter 1985, p.202.
[61] *ibid.*
[62] *ibid.*
[63] *ibid.*
[64] *ibid.*, p.203.

The processes that caused the split in the first place are largely confined to an analysis of actors in the higher echelons of government. This is a general feature of elite-led transitology: apart from brief explanations about how the popular classes withdraw their support for authoritarian governments, there is a lack of information as to how the popular classes influence liberalisation and democratisation in the first place. Indeed, popular pressure has been a contributing factor leading to splits in the ruling elite and this pressure has also been responsible for maintaining the move towards democratisation. By focusing exclusively on the elite level of politics, transitology and in particular elite-led transitology, fails to take into consideration the impact of subaltern actors, resulting in substantial gaps in the democratisation literature.

FILLING THE GAPS: SOCIAL MOVEMENTS IN THE TRANSITION

As we have seen, in elite-led transitology, social movements or mass opposition in general are relatively unimportant in 'transitions to democracy'. Social movements by definition are "forms of collective action with a high degree of popular participation, which use non-institutional channels and which formulate their demands while simultaneously finding forms of action to express them, thus establishing themselves as collective actors".[65] One important collective actor in the transition to democracy is the labour movement. Labour's importance lies not only in its particular role as defender of workers' rights, but in the broader role of champion for democratisation and an end to authoritarianism. Its ability to organise on a massive scale and present a formidable opposition to authoritarian rule however, has not been dealt with extensively by elite-led transitologists. Social movements in general are either seen as playing a secondary role or as maintaining the momentum for democratic change, but they are rarely considered as occupying a place of primary importance – the labour movement is no exception. Civil society's main function, according to O'Donnell is to strengthen the position of the democratic opposition.[66] It

[65] Jelin, Elizabeth, in Escobar, Arturo and Sonia E. Alvarez (eds), *The Making of Social Movements in Latin America: Identity, Strategy and Democracy*, Boulder, Colorado: Westview Press, 1992, p.15.
[66] O'Donnell, 'Transitions to Democracy', in Pastor, *op.cit.*, p.67.

strengthens the opposition as a result of the intense demands it places on all actors involved in the transition.[67]

Elite-led transitology has tended to emphasise the importance of electoral arrangements, competition between political parties and elite interactions.[68] For this school of transitology, political structures and institutions are shaped by the actions and options of political leaders.[69] Democracy therefore, is dependent on the institutional rules for competition between elites.[70] The broader populace is excluded from negotiations which will determine the type of democracy which will emerge. Geraldine Lievesley, a strong critic of elite-led transitology, argues that the underlying assumption of O'Donnell and Schmitter is that the pacts negotiated will be with civilian elements on the centre and centre-right of the political spectrum.[71] Representatives of the political left are excluded unless they are willing to accept the parameters chosen – pacts are then predicated upon the attempted systematic exclusion of mass movements, which in these periods tend to consist of the left, from political influence.[72] The exclusion of the 'revolutionary left' is seen as particularly important following the transition. Elite-led transitologist Laurence Whitehead argues in unequivocal terms:

> If democratic consolidation is to be kept on track, the revolutionary left must be either reabsorbed into democratic life or isolated and defeated. All democrats, including those on the radical left, will therefore be required to opt for defense of the regime against a continuing revolutionary challenge.[73]

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[67] *ibid.*
[68] Lievesley, *op.cit.*, p.197.
[69] Diamond, Larry, Juan J. Linz and Seymour Martin Lipset, 'Introduction: Comparing Experiences with Democracy', in Diamond, Larry, Juan J. Linz and Seymour Martin Lipset (eds), *Politics in Developing Countries: Comparing Experiences with Democracy*, Boulder, Colorado: Lynne Rienner Publishers, 1990, p.15.
[70] Avritzer, Leonardo, *Democracy and the Public Space in Latin America*, Princeton: Princeton University Press, 2002, p.28.
[71] Lievesley, *op.cit.*, p.12.
[72] *ibid.*
[73] Whitehead, Laurence, 'The Consolidation of Fragile Democracies: A Discussion with Illustrations', in Pastor, *op.cit.*, p.89.

Following the schism between hardliners and softliners within the regime, the transition is seen to advance through a series of bargains between state and opposition elites.[74] This formulation sets the terms for the subsequent debate which centres on the relative contribution of factors within the regime and the opposition.[75] Several elite-led transitologists see this as desirable, including Karl, who maintains that successful transitions are necessarily characterised by accommodation and compromise.[76] O'Donnell and Schmitter's conception of democratisation calls for gradualism, caution and compromise.[77] Transitions, therefore, are all about moderation.[78]

O'Donnell and Schmitter, however, do not completely deny all importance to mass movements. They are seen as significant in reinvigorating popular participation and in stimulating an interest in politics. But they are essentially, a consequence or a feature of the transition phase:

> The dynamics of the transition from authoritarian rule are not just a matter of elite dispositions, calculations and pacts. If we have emphasised these aspects up to now it is because they largely determine whether or not an opening will occur at all and because they set important parameters on the extent of possible liberalisation and eventual democratisation. Once something has happened – once the soft-liners have prevailed over the hard-liners, begun to extend guarantees for individuals and some rights of contestation ... a generalised mobilisation is likely to occur, which we choose to describe as the 'resurrection of civil society'.[79]

So while O'Donnell and Schmitter do recognise the importance of ferment and mobilisation in civil society, they locate its contribution exclusively during the period after the authoritarian regime has split and after the soft-liners have begun to open and liberalise the regime – at this point, an "upsurge" of popular mobilisation pushes the transition forward,

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[74] Munck, Geraldo, 'Democratic Transitions in Comparative Perspective', *Comparative Politics*, Vol. 26, No. 3, April 1994, p.358.
[75] *ibid.*
[76] Karl, 'Dilemmas of Democratisation in Latin America', *op.cit.*, pps.16-17.
[77] Shin, *op.cit.*, p.162.
[78] Bermeo, Nancy, 'Myths of Moderation: Confrontation and Conflict During Democratic Transitions', *Comparative Politics*, Vol. 29, No. 3, April 1997, p.305.
[79] O'Donnell and Schmitter, *Transitions from Authoritarian Rule*, Vol. 4, *op.cit.*, p.48.

keeping it on track through its now-demonstrated potential for eruption.[80] O'Donnell classifies the 'resurrection of civil society' as being a broad, multiclass movement – it consists of business leaders, middle class associations, human rights organisations, church groups, workers, intellectuals and leaders in the popular arts.[81]

In any case, O'Donnell and Schmitter argue that regardless of its intensity and of the background from which it emerges, the popular upsurge is "always ephemeral" and it performs the role of pushing the transition further than it would otherwise have gone.[82] Various elite-led transitologists do make allowances for the influence of popular mobilisation as opposition to the authoritarian regime. Mainwaring, for example, argues that exclusive attention to internal tensions can lead to neglecting the impact of opposition actors in general, including mass mobilisation.[83] Mainwaring also concedes that many transitions involve complex interactions between regime and opposition forces from an early stage.[84] He also argues that although transitions usually begin with splits in the authoritarian regime, over time more and more actors become involved so it is not viable to maintain exclusive focus on elite actors because the efforts of popular sectors to redefine the political scene are also considered important.[85] Nevertheless, the popular classes have a minimal role in the negotiations which will determine the type of democracy that will emerge and the emphasis on interactions between elites as the 'main game' in the transition remains.

One of the main preoccupations of elite-led transitology is the possibility of a coup, or an authoritarian reversal during the transition. For O'Donnell, this represents one of the "archetypal dramas" of a transition because it determines the actions of elite actors.[86] Although the role of the popular sector is acknowledged, it is principally to highlight the dangers of excessive involvement in the transition process. Transitologists argues that too much pressure from below can spoil the chances for democracy. Critic Nancy Bermeo

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[80] Diamond, Larry, 'The Globalisation of Democracy', in Slater, Robert O., Barry M. Schutz and Steven R. Dorr (eds), *Global Transformation and the Third World*, Boulder: Lynne Rienner Publishers, 1993, p.45.
[81] O'Donnell, 'Transitions to Democracy', in Pastor, *op.cit.*, pps.66,67.
[82] O'Donnell and Schmitter, *Transitions from Authoritarian Rule*, Vol. 4, *op.cit.*, pps.55,56.
[83] Mainwaring, 'Transitions to Democracy and Democratic Consolidation', in Mainwaring, O'Donnell and Valenzuela, *Issues in Democratic Consolidation, op.cit.*, p.299.
[84] *ibid.*
[85] *ibid.*, p.303.
[86] O'Donnell, 'Transitions to Democracy', in Pastor, *op.cit.*, p.68.

believes that this stems from the suggestion that while citizen mobilisation is essential, it is ultimately dangerous if it continues too long or with too much intensity.[87] O'Donnell argues that:

> all attempts at revolutionary transformation have not merely failed; they have been a powerful factor leading to the emergence of authoritarian rule ... any such attempt in the foreseeable future will be much more likely to induce similar authoritarian reversals than to achieve whatever egalitarian goals may be claimed by revolutionary movements.[88]

There is considerable emphasis on the dangers of 'authoritarian reversals' as a result of mass mobilisation. Arthur MacEwan argues that this is part of the overall effort to limit the definition of the transition process.[89] The narrow definition places social and economic changes and the struggles directed toward such changes in opposition to the transition process because they threaten reversal.[90] As a result, elite-led transitologists argue that restrained social mobilisation is necessary:

> Nothing is more destructive of democracy than frequent confrontations in the streets, the legislature, the state administration, and elsewhere between groups who view themselves as engaged in zero-sum conflict. The lifting of authoritarian repression and the return of democratic liberties to organise, petition, and demonstrate should not lead to widespread disorder and violence.[91]

The emphasis of elite-led transitology remains on legal avenues of opposition, as the popular sector and their oppositional activities are considered as occupying a place of secondary importance. Jean Grugel argues that there is a tendency in the transitions

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[87] Bermeo, 'Myths of Moderation', *op.cit.*, pps.305,307.
[88] O'Donnell, 'Introduction to the Latin American Cases', in O'Donnell and Schmitter, *Transitions from Authoritarian Rule: Latin America,* Vol. 2, *op.cit.*, p.10.
[89] MacEwan, Arthur, 'Transitions from Authoritarian Rule', *Latin American Perspectives*, Vol. 15, No. 3, Summer 1988, p.122.
[90] *ibid.*
[91] Valenzuela, J. Samuel, 'Democratic Consolidation in Post-Transitional Settings: Notion, Process and Facilitating Conditions', in Mainwaring, O'Donnell and Valenzuela, *Issues in Democratic Consolidation, op.cit.*, p.82.

literature to focus too heavily on formal opposition from parties and these models of democratisation make it hard to assess the strength of popular organisations and protest.[92] Grugel maintains that by seeing parties or political elites as the main agents of the transition, theories which focus on top-down factors inevitably tend to downplay or even miss the role of popular organisations.[93] MacEwan points out that 'popular upsurges' do receive attention in the O'Donnell et al *Transitions* volumes, however, they are steps in a limited process of political change.[94] By focusing attention on the manipulation of the levers of political power, MacEwan argues that the *Transitions* volumes provide hardly any analysis of the struggles of the popular classes or of the activities of the radical left outside of the formal liberalisation process and electoral arena.[95] This is partly explained by the fact that popular mobilisation is deemed as temporary and therefore, ineffective in achieving any long-term, meaningful political change. O'Donnell states that:

> When the announcement of elections begins to channel the main processes of the transition toward parties as the main interlocutors of the government, the mobilisation of society tends to decrease in scope and intensity. This is regrettable in many ways, but it helps the successful completion of the transition.[96]

It can be seen, therefore, that the importance of mass mobilisation and the popular sectors passes once the transition is completed. The 'demobilisation' of civil society is seen as inevitable by O'Donnell and Schmitter:

> This wave [of mobilisation] crests sooner or later, depending on the case. A certain normality is subsequently reasserted as some individuals and groups depoliticise themselves again, having run out of resources or become disillusioned, and as others deradicalise themselves, having recognised that their maximal hopes will not be achieved. Still others simply become tired

[92] Grugel, Jean, 'Transitions from Authoritarian Rule: Lessons from Latin America', *Political Studies*, Vol. 39, No. 2, June 1991, p.364.
[93] *ibid.*
[94] MacEwan, *op.cit.*, p121.
[95] *ibid.*
[96] O'Donnell, 'Transitions to Democracy', in Pastor, *op.cit.*, p.72.

> of constant mobilisation and its intrusion into their private lives ... and later on ... return to some form of relatively demobilised citizenship.[97]

This highlights, according to Avritzer, the ambiguous approach that elite-led transitologists adopt to mass mobilisation.[98] On the one hand, they note that collective action might strengthen democratic values, but on the other hand, they still conceive mass mobilisation within the broader framework of an elite-masses relationship – mass mobilisations do not play a democratising role per se, but rather a facilitative role in the internal process of negotiation among elites.[99] Thus, social movements are considered supplementary at best, and counter-productive at worst.

What emerges out of elite-led transitology then, is a narrow conception of the processes which drive democracy – indeed, the notion of 'transition' is misleading. The 'transition to democracy' is a highly conservative and exclusionary process which obscures the nature of political, social and economic change (or continuity) more than it explains. Elite-led transitologists view democracy as unfolding through a series of sequences and patterns which are driven from the top-down, rather than bottom-up. For the next phase to be successfully completed – consolidation of democracy – the transition needs to be successfully managed. Pacts are the principal mechanism for guaranteeing successful consolidation. This is the main reason for the important role ascribed to elite political figures in negotiating and bargaining the crucial terms of the 'transition to democracy'. The discussion of political systems is reduced by elite-led transitologists to analyses of regime changes and electoral procedures – this reduces their discussion to little more than a "journalistic commentary on political personalities, rules and events".[100] Elite-led transitologist Scott Mainwaring acknowledges that the transitions literature has furthered the analysis of democracy as a product of elite interactions.[101]

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[97] O'Donnell and Schmitter, *Transitions from Authoritarian Rule*, Vol. 4, *op.cit.*, p.26.
[98] Avritzer, *op.cit.*, p.29.
[99] *ibid.*
[100] Petras, James and Morris Morley, *Latin America in the Time of Cholera: Electoral Politics, Market Economics and Permanent Crisis*, New York: Routledge, 1992, pps.164,166.
[101] Mainwaring, 'Transitions to Democracy and Democratic Consolidation', in Mainwaring, O'Donnell and Valenzuela, *Issues in Democratic Consolidation, op.cit.*, p.302.

The notion of a 'transition' is also highly circumscribed since political activity is restricted to formal arenas through which the 'successes' and 'failures' of the actors involved in the transition process can be easily judged – in this formulation, power depends on elite and mass influence and control over the machinery of the state.[102] Social movements and the masses in general are viewed with suspicion because they are seen as potentially destabilising factors in the transition. Their exclusion is not laudable perhaps, but certainly necessary. Elite-led transitology understates the complexity of regime change because it neglects the various forces at play apart from elite actors.

In particular, labour movements in the three case studies – Mexico, Brazil and South Korea – were important in the transitional politics of each country. Rather than explaining divisions in the ruling elite as the result of the decisions and strategies of individual elites (or a small section of the elite), this thesis will highlight the significance of the labour movement in pressuring regimes for democratic change. The differences between the labour movements in each country are also important in explaining the varied nature of the transitions. Not only are the masses key actors in pushing for an end to authoritarianism, but the case studies will demonstrate there is no single type or mode of transition that occurs. The notion of 'transitions to democracy' will be assessed in the following chapters where the failings of the concept will be underscored by analysing the experiences of Mexico, Brazil and South Korea.

THE IMPORTANCE OF THE CASE STUDIES: MEXICO, BRAZIL & SOUTH KOREA

There are several reasons as to why Mexico, Brazil and South Korea have been selected as case studies. Mexico and Brazil are both important countries in Latin America. They are large in terms of geography and population. Among the 20 countries which make up Latin America, Brazil has roughly 35 per cent of the population and Mexico has 20 per cent.[103] In East Asia, South Korea also has a substantial population and it is an industrial, technological and economic powerhouse in the region. The transitions that occurred in

[102] Pinkney, Robert, *Democracy in the Third World*, 2nd ed., Boulder, Colorado: Lynne Rienner Publishers, 2003, p.164.
[103] Collier, Ruth Berins and David Collier, *Shaping the Political Arena: Critical Junctures, the Labour Movement and Regime Dynamics in Latin America*, Princeton: Princeton University Press, 1991, p.12.

Mexico and Brazil are significant because they occurred over several decades. In Mexico, the period of transition spans more than 30 years beginning from 1968 to 2000. Brazil's move towards democracy begins in the mid to-late 1970s and culminates with the election of a civilian president in 1989. South Korea's transition occurred over a shorter period starting in the early 1980s and concluding with elections in 1992 which resulted in the first civilian president in more than 30 years. This thesis therefore, will be examining significant chunks of history rather than a few years. The duration of each of the transitions highlights numerous features neglected by transitology such as the way in which popular forces influence the processes of democratic change. In this way, we can ascertain a broader picture of just how transitions take place and how ordinary people form an integral aspect of the transition story. This thesis will fill gaps in the literature where they exist and complement mainstream understandings of transitions.

Rapid industrialisation in all three countries resulted in immense changes in economic, political, social, industrial and class structures. Mexico, Brazil and South Korea all experienced periods of spectacular economic growth and were commonly referred to as 'miracle' economies. Growth rates of more than 10 per cent per year in the 1960s and 1970s were all the more remarkable considering that within a few short decades, the three countries shifted from largely agricultural to industrial-based economies. The changes brought about as a result of economic development are important for the purposes of this thesis because of the way in which they affected class structures. The growth of an industrial, urban-based working class is directly related to economic expansion directed and controlled by an authoritarian state. Economic development created a larger and more powerful labour force which began to assert its strength in order to end oppressive working conditions and most importantly, to push for the downfall of authoritarianism. Thus, the relationship between politics and economics is linked to the different way in which transitions unfold – this is useful for comparative purposes and highlights the uniqueness of each case.

The three case studies have been chosen because they highlight crucial features which have been overlooked by elite-led transitologists. Mexico, Brazil and South Korea provide important details about the complex nature of transitions to democracy – the most significant is the role of popular forces in influencing the transition. All three countries

have a history of combative and rebellious popular forces. In particular, labour movements are the specific focus of this thesis. The three case studies have historically powerful and politically active labour movements and they have been key contributors to democratisation. Focusing on the labour movement is important for numerous reasons. The collective strength of the working class is located in its concentration in the industries central to economic growth that is, in the strategic sectors of the economy. Their ability to organise and disrupt the capitalist system of economic production presents a formidable challenge to the regime. Labour is crucial because of the leadership role it played in resisting authoritarianism and calling for democratisation. Worker demonstrations galvanised a broader opposition movement to authoritarianism, spreading to include not only white collar workers, but also the middle classes. Particularly in Brazil and South Korea, large sectors of the middle class joined massive protests which were instigated and led by workers. In addition, all three have received substantial attention in previous research on the political economy of industrialisation, trade unions and regime transformation, therefore, this study can build on an important body of work.[104] Moreover, the lessons that can be drawn from these three cases have far-reaching implications for transitions occurring elsewhere today, giving this thesis contemporary relevance.

[104] *ibid.*

CHAPTER 2: THE MEXICAN TRANSITION

INTRODUCTION

Mexican politics was dominated for 70 years by one party, the Institutional Revolutionary Party *(Partido Revolucionario Institucional* – PRI). From 1929 to 2000, the PRI was the only party to hold power at the national level. In order to understand how the Mexican state began to unravel in the late 1960s, it is important to look at the complex forces which were crucial in the construction of the PRI regime. This requires an analysis of the central features of the regime which were constructed in the aftermath of the Mexican revolution. What emerged out of the Mexican revolution beginning in 1910 was an elite consensus that the popular classes needed to be restrained – workers and peasants had demonstrated their capacity to overthrow governments and instigate widespread rebellion. The ruling party created mass organisations which were crucial to maintaining a reliable base of support throughout the decades of stable PRI rule between 1929 and 1968.[1] These organisations, however, began to contest government power on a large scale in 1968, and especially in the 1970s, when labour insurgency erupted onto the political scene and severely weakened the structures of PRI rule.

From 1968 onwards, the PRI was forced to respond to widespread demands for political change. Mexico's transition to democracy began after the 1968 pro-democracy demonstrations and the Tlatelolco massacre, in which hundreds of protestors were slaughtered by the state. Mass pressure forced the government to institute reforms, particularly in the electoral arena. Political liberalisation however, was not designed to genuinely democratise the system rather, it was intended to appease the disaffected sectors of society while the ruling party remained dominant.

Economic downturn beginning in the 1970s also left the PRI with limited room for maneuver, reducing the resources available to sustain hegemony over its sectoral organisations and the electorate. Increased government spending was an important way in

[1] Middlebrook, Kevin J., *The Paradox of Revolution: Labour, The State and Authoritarianism in Mexico*, Baltimore: The Johns Hopkins University Press, 1995, p.15.

which the regime desperately sought to maintain social stability in the face of widespread dissent. This had severe repercussions for the PRI. It resulted in an economic crisis of the early 1980s and also led to the withdrawal of private sector support from the PRI to another party – the National Action Party (*Partido Acción Nacional* – PAN), which was the main beneficiary of electoral reform. The steady erosion of the PRI's pillars of support from the late 1960s eventually led, in 2000, to a PAN victory and the end of 70 years of uninterrupted PRI rule. Mexico's transition to democracy did not occur as a result of secret negotiations between a handful of political elites, as suggested by elite-led transitology. The transition was initiated by popular forces and pushed forward by the labour movement – their actions led to the regime's loss of legitimacy and a crisis of confidence amongst the bourgeoisie who threw its weight behind the PAN once they felt that the PRI could no longer protect its interests.

ORIGINS OF THE MEXICAN STATE: THE REVOLUTION & THE SUBORDINATION OF POPULAR FORCES

The Mexican nation was forged in the violence and immense political, social and economic upheaval of the Mexican revolution beginning in 1910. The dictatorship of Porfírio Díaz (1876-1910) served the interests of a narrow elite and over time, Díaz alienated most social classes. Modernisation and liberalism concentrated land and wealth at an unprecedented level.[2] By 1910, the 'Porfíriato' (as the Díaz dictatorship was referred to) had antagonised significant elements of the bourgeoisie, peasantry and the working classes. Uprisings in the countryside and worker mobilisation in the cities reflected widespread discontent with the regime's repression and absence of political liberties. The phrase *'pan o palo'* (bread or the club) – reflected Díaz' method of governing – a loaf of bread for those who co-operated and a beating with the club for those who refused to do so.[3] Mexico's bourgeoisie resented the preference given to foreign investors (particularly U.S. and British) who controlled a large percentage of the total capital invested. Although the Porfíriato was responsible for

[2] Meyer, Lorenzo, 'Mexico: Economic Liberalism in an Authoritarian Polity', in Lindau, Juan J. and Timothy Cheek (eds), *Market Economics and Political Change: Comparing China and Mexico*, Lanham, Maryland: Rowman and Littlefield Publishers, 1998, p.138.
[3] La Botz, Dan, *Democracy in Mexico: Peasant Rebellion and Political Reform*, Boston: South End Press, 1995, p.44.

bringing about some economic growth, this was limited and in any case, economic depression in the first decade of the twentieth century led to mass destitution for the lower classes. Díaz' rule was also a source of resentment amongst the middle classes – the lack of opportunity for upward political and social mobility fostered increasing demands for change.[4] The origins of the Mexican revolution can be found in the high levels of inequality, poverty and economic backwardness of Porfírian Mexico.

The most significant aspect of the Mexican revolution was the widespread involvement of workers and peasants in national politics. During this turbulent period, a mix of ideologies emerged, each competing for dominance. The end of the Porfiriato initiated a protracted and violent struggle for political power among rival factions with different capabilities and disparate, often conflicting goals – provincial merchants and landowners, unemployed miners, railroad workers, peasants, sharecroppers and bandits were among some of the competing forces.[5] Elections were scheduled in 1910 and Díaz' main challenge was presented by Francisco Madero, a liberal reformer who came from a family of wealthy landowners in northern Mexico and advocated mild social reforms and the basic principles of political liberty.[6] Díaz however, cancelled the elections and had Madero arrested. Upon his escape from prison, Madero called on the Mexican masses to rise in revolt. Within a matter of weeks, pent-up grievances exploded in rural and industrial areas and peasant and worker rebellion reached all corners of the country. The Mexican revolution had begun.

Madero's call to arms introduced a recurring feature of the revolutionary years – it led to insurrections throughout Mexico, spearheaded by popular forces. In the southern state of Morelos, Emiliano Zapata emerged as the leader of peasant revolts for ownership of land and land reform in general.[7] In the northern states, Francisco 'Pancho' Villa led a revolt. Faced with large-scale disorder and violence, Díaz was forced to resign and in October 1911, Madero was elected president – the situation was far from stable, indeed, it was even more precarious, as Madero's victory did not put an end to armed insurrections.[8] In 1911,

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[4] Ai Camp, Roderic, *Politics in Mexico: The Decline of Authoritarianism*, 3rd ed., Oxford: Oxford University Press, 1999, pps.38,39.
[5] Middlebrook, *The Paradox of Revolution, op.cit.*, p.14.
[6] Ai Camp, *Politics in Mexico,* 3rd ed., *op.cit.*, p.38.
[7] Levy, Daniel C. and Kathleen Bruhn, *Mexico: The Struggle for Democratic Development*, Berkeley: University of California Press, 2001, p.45.
[8] Williamson, Edwin, *The Penguin History of Latin America*, London: Penguin, 1992, p.382.

there were fresh peasant uprisings in the state of Chihuahua and mobilisation among industrial workers who took advantage of democratic freedoms to organise trade unions and call strikes.[9] In the years that followed, successive leaders were confronted by a rising tide of revolt in the countryside and violent labour-organising efforts in the urban areas.[10]

The entry of peasants and workers into national politics posed a significant challenge for revolutionary leaders who were forced to establish alliances with the popular classes. Between 1914 and 1917, a civil war ensued between the Constitutionalist army under Venustiano Carranza and his commander, General Alvaro Obregon, and the forces of Zapata and Villa.[11] During this period, Carranza succeeded in obtaining working-class support against the peasant armies with the workers of the House of the World Worker *(Casa del Obrero Mundial* - COM), who agreed to fight with the Constitutionalist army in return for concessions to labour.[12]

The most important aspect of these fights over presidential power was the role of the peasants and workers. During the revolutionary years, different sides of the political spectrum mobilised workers and peasants to fight for their causes. The peasantry demonstrated their awesome potential for disruption in 1914 when the armies of Villa and Zapata gained control of Mexico City, as well as two-thirds of Mexico's territory.[13] However, Villa and Zapata's peasant armies were unable to follow up their military domination with a national program. They lost political control of the revolution and eventually were militarily defeated by the Constitutionalist army. Such events demonstrated the power of workers and peasants and their enormous capacity for destabilising and overthrowing governments. Every corner of society was affected by this highly destructive revolution. It left more than a million dead – nearly 10 per cent of the Mexican population.[14] Peasant communities, workers, an emerging middle class, and a set of popular

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[9] *ibid.*, p.383.
[10] Hart, John Mason, *Revolutionary Mexico: The Coming and Process of the Mexican Revolution*, Berkeley: University of California Press, 1987, p.13.
[11] Hamilton, Nora, *The Limits of State Autonomy: Post-Revolutionary Mexico*, Princeton: Princeton University Press, 1982, p.59.
[12] *ibid.*
[13] *ibid.*, p.60.
[14] Bailey, John, *Governing Mexico: The Statecraft of Crisis Management*, New York: St. Martin's Press, 1988, p.13.

armies were all actors in the revolutionary drama.[15] Their mass mobilisation was dangerous for the regime which could not afford to ignore the interests of the lower classes.

In an attempt to reconcile the various interests, a Constitutional Convention was held in 1917. After years of civil war, the competing revolutionary leaders and their followers came to an agreement and a division of their spoils that reflected the balance of power among them.[16] Recognising the need to pacify mass unrest, the Constitution which emerged out of the Convention made several concessions to the popular classes, including a minimum wage, an 8-hour work day, worker's compensation and land reform.[17] The Constitution also guaranteed a mix of liberal-democratic features such as popular sovereignty, free elections, guarantees for individual rights, federalism and the separation of powers.[18] Its nationalist implications were also clear – it reserved for the state the exclusive rights of ownership and exploitation of underground natural resources.[19]

The need to pacify the popular classes was the overriding concern for post-revolutionary governments. Nevertheless, between 1917 and 1929, the Mexican political system continued to be characterised by instability and continuing internecine struggles.[20] In the 1920s and 1930s, the government violently co-opted dissident agrarian and labour groups. Peasant and worker organisations became bureaucratic arms of the state. The military was sidelined from national politics, while business interests and Church groups were tolerated but excluded from the ruling alliance. Revolutionary or dissenting tendencies were removed.[21] Effective power during this period was kept within the small circle of revolutionary generals and the leaders of mass organisations.[22] The regime's basic source of legitimacy was not party competition in the electoral arena, but the capacity of the

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[15] Meyer, 'Mexico', in Lindau and Cheek, *op.cit.*, p.138.
[16] Purcell, Susan Kaufman and John F.H. Purcell, 'State and Society in Mexico: Must a Stable Polity be Institutionalised?' *World Politics*, Vol. 32, No. 2, January 1980, p.198.
[17] Levy, Daniel C., 'Mexico: Sustained Civilian Rule Without Democracy', in Diamond, Larry, Juan J. Linz and Seymour Martin Lipset (eds), *Politics in Developing Countries: Comparing Experiences With Democracy*, Boulder, Colorado: Lynne Rienner Publishers, 1990, p.140.
[18] *ibid.*
[19] Levy, Daniel and Gabriel Székely, *Mexico: Paradoxes of Stability and Change*, Boulder, Colorado: Westview Press, 1983, p.62.
[20] Newell, G. Roberto and Luis Rubio F., *Mexico's Dilemma: The Political Origins of Economic Crisis*, Boulder: Westview Press, 1984, p.52.
[21] Hart, *op.cit.*, p.16.
[22] Meyer, 'Mexico', in Lindau and Cheek, *op.cit.*, p.140.

leadership to respond to the demands of key constituencies, including organised peasants and workers.[23]

An important pillar of the newly emerging Mexican political system was the creation of a national party. This was intended to regulate the succession of presidential power, and as such, the emphasis was on stability. Securing the transfer of power from one president to another without the violence and political upheaval of the revolutionary years was one of the chief concerns of President Plutarco Elías Calles. In March 1929, Calles created the National Revolutionary Party *(Partido Nacional Revolucionaro* – PNR) in response to a series of economic and political crises which not only led to increased factionalism and tensions among the revolutionary leaders, but also threatened to erupt into armed conflict once again.[24]

The turbulence of the revolutionary period created the blueprint for the authoritarian state which would emerge under President Lázaro Cárdenas in the 1930s. The establishment of an official party which would regulate social conflict and contain mass discontent was the key feature in the emerging Mexican state. Such a political system helped provide an answer to the continuing disorder in the 1920s that followed the revolution. Post-revolutionary governments were primarily concerned with controlling the potentially destabilising tendencies of popular forces. In particular, the working classes and the peasantry had continually demonstrated their capacity for disruption on a large scale throughout the revolutionary years. During the 1920s and particularly the 1930s, the state developed not only the coercive apparatus to contain dissent, but also the co-optative means of doing so. The creation of a strong state therefore, was necessary in order to rein in and pacify the very social classes which were capable of disrupting the newly emerging economic and political order.

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[23] *ibid.*
[24] La Botz, *Democracy in Mexico*, *op.cit.*, p.53.

INSTITUTIONALISING AUTHORITARIANISM: THE BIRTH OF 'THE PERFECT DICTATORSHIP'

The unique brand of Mexican authoritarianism which emerged in the decades following the revolution was constructed around a number of structural, institutional and strategic pillars. In order to successfully grasp how and why the PRI lost its hegemonic grip on Mexican society, it is necessary to examine the gradual erosion of those supports.[25]

The presidency of Lázaro Cárdenas (1934-40) was responsible for laying the groundwork which would form the model of PRI government for the next 70 years. The official party was institutionalised, now renamed the Party of the Mexican Revolution *(Partido de la Revolución Mexicana* – PRM), finally becoming the Institutional Revolutionary Party *(Partido Revolucionario Institucional* – PRI) in 1946. For Mexico's political elite, there was a need for stable consensus and a balance among the various class forces in order to prevent the mass politicisation and violence witnessed during the tumultuous years of the revolution. Under Cárdenas, the institutionalisation of such a balance was a paramount factor. Organised along bureaucratic lines, the official party became synonymous with the state – Mexico's political system came to be characterised as a "state-party regime".[26] The subordination of the armed forces was part of the Cárdenas plan to reform and reorganise a potentially troublesome force and bring it under civilian control.

From the 1930s onwards, the corporatist structure of the party served to mitigate and channel dissent into officially sanctioned outlets. In 1936, Cárdenas established sectors which were the basis for stability until the 1970s and 1980s. The system was organised around federations that represented both labour and peasants. These were created not only because peasants and labour had played a critical role in the revolution, but more importantly, they had the potential to hinder the course of rapid industrialisation and economic development pursued by the PRI.[27] The National Confederation of Peasants

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[25] Shirk, David A., *Mexico's New Politics: The PAN and Democratic Change*, Boulder, Colorado: Lynne Rienner Publishers, 2005, p.31.
[26] Hamilton, Nora and Eun Mee Kim, 'Economic and Political Liberalisation in South Korea and Mexico', *Third World Quarterly*, Vol. 14, No. 1, 1993, p.122.
[27] Davis, Diane E., 'Urban Social Movements, Intrastate Conflicts over Urban Policy and Political Change in Mexico', in Smith, Michael Peter (ed), *Breaking Chains: Social Movements and Collective Action*, New Brunswick: Transaction Publishers, 1991, p.135.

(*Confederación Nacional Campesina* – CNC), and the National Confederation of Mexican Workers (*Confederación de Trabajadores de México* – CTM), were established in 1935 and 1936 respectively. In 1943, a third representative federation known as the National Confederation of Popular Organisations (*Confederación Nacional de Organizaciones Populares* – CNOP) was also established. This category was created to include Mexico's 'popular middle classes', such as teachers, doctors, shopkeepers lawyers and street vendors. The CNOP was made up of those who did not fit into the other two categories. Business was not officially represented in the party, but the PRI's subsequent economic and developmentalist policies resulted in a tacit alliance. Business interests had strong ties with the government and their collaboration was essential for economic growth and stability, although they were not formally part of the PRI.[28]

This structure was deliberately multi-layered and pervasive, extending to most areas of political and social life and serving as an apparatus of control.[29] By constructing a monolithic state apparatus with the institutional capacity to mediate mass participation, successive presidential administrations were able to direct the parameters of socio-political organisation and mobilisation.[30] The strengthening of government structures under Cárdenas was a successful mechanism of elite control over historically restless and revolutionary segments of society.[31] Mobilisation and dissent was tolerated and even encouraged, as long as the PRI controlled the extent of opposition to the regime. Institutional channels, therefore, were created in order to limit the level and impact of dissent and its harmful effects on the status quo. It was not a system which completely banned opposition, rather, the PRI state sought to direct conflict in order to render it harmless to the alliance forged in the revolutionary aftermath.

The PRI's sectoral organisations not only served to moderate popular demands, but were also structured so that "everyone who played the game got at least small rewards".[32] The unique nature of the system was such that the regime did not have to meet the social

[28] Bailey, John and Leopoldo Gomez, 'The PRI and Political Liberalisation', *Journal of International Affairs*, Vol. 43, No. 2, Winter 1990, p.293.
[29] Philip, George, *Democracy in Latin America: Surviving Conflict and Crisis?* Cambridge: Polity Press, 2003, p.176.
[30] Middlebrook, *The Paradox of Revolution, op.cit.*, p.29.
[31] Hart, *op.cit.*, p.18.
[32] Peeler, John, *Building Democracy in Latin America*, 2nd ed., Boulder, Colorado: Lynne Rienner Publishers, 2004, p.74.

demands of entire classes but instead, delivered needed services on a discretionary basis.[33] Leaders of the mass organisations were expected to curb the demands of their members in order to rise through the ranks of political power. Through the PRI, bureaucratic leaders of organised labour and the peasantry were made principal partners in the ruling coalition. Co-optation measures, such as the distribution of rewards, served to dampen dissent and therefore, were highly important for stability.

Mexican scholars have used various labels to highlight the unique and specific nature of the Mexican system. Some examples include "civilian-authoritarian",[34] "electoral authoritarianism",[35] "selective democracy",[36] and "democracy within reason".[37] These descriptions underline the hybrid nature of the regime. One of the major differences of Mexico from other authoritarian systems is that it was an inclusive system which maintained its legitimacy by co-opting dissenters into its ranks while allowing different factions to vie for power and share the spoils within the confines of the PRI regime.[38] Mexican authoritarianism enabled people to gain positions in government where they would receive certain benefits, as there were many perks associated with institutional linkage. Unionised workers, for example, received better wages than the non-unionised, as well as better access to subsidised credit and housing, health care, basic consumer goods and technical training.[39] Those who were members of the CTM, CNC or CNOP received benefits such as subsidies and wage agreements.[40] For these reasons, Peruvian author Mario Vargas Llosa characterised Mexico as 'the perfect dictatorship' because even though it was authoritarian, it had the flexibility to respond to the demands of various sectors of society and thus to employ a minimum of repressive force.[41]

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[33] Langston, Joy, 'Breaking Out is Hard to Do: Exit, Voice, and Loyalty in Mexico's One-Party Hegemonic Regime', *Latin American Politics and Society*, Vol. 44, No. 3, Fall 2002, p.64.
[34] Shadlen, Kenneth C., 'Continuity and Change: Democratisation, Party Strategies and Economic Policy-Making in Mexico', *Government and Opposition*, Vol. 34, No. 3, Summer 1999, p.399.
[35] Schedler, Andreas, 'Mexico's Victory: The Democratic Revelation', *Journal of Democracy*, Vol. 11, No. 4, October 2000, p.6.
[36] Cothran, Dan A., *Political Stability and Democracy in Mexico: The 'Perfect Dictatorship'?* Westport, Connecticut: Praeger, 1994, p.231.
[37] Carlos Salinas quoted in Centeno, Miguel Angel, 'Between Rocky Democracies and Hard Markets: Dilemmas of the Double Transition', *Annual Review of Sociology*, Vol. 20, 1994, p.217.
[38] Langston, 'Breaking Out is Hard to Do', *op.cit.*, p.64.
[39] Coppedge, Michael, 'Parties and Society in Mexico and Venezuela: Why Competition Matters', *Comparative Politics*, Vol. 25, No. 3, April 1993, p.255.
[40] Smith, Peter H., 'Mexico since 1946', in Bethell, Leslie (ed), *The Cambridge History of Latin America*, Vol. 7, Cambridge: Cambridge University Press, 1990, p.97.
[41] Hamilton and Kim, 'Economic and Political Liberalisation in South Korea and Mexico', *op.cit.*, p.122.

The Mexican state which emerged under Cárdenas and was consolidated by successive presidents had effective control over the means of coercion, channels of political mobility and the distribution of economic benefits. Post-revolutionary governments successfully enforced a series of bargains among major socio-economic and political actors.[42] This state of affairs came under increasing strain following the democratic demands placed on the PRI in 1968. A central feature in the maintenance of a stable consensus was the need for continued economic growth. Economic downturn, combined with strong social dissent, placed the PRI on the path to its eventual downfall.

THE MEXICAN ECONOMIC SYSTEM: BASIS OF POLITICAL STABILITY

The Mexican model of economic development formed an important basis for the stability of the PRI state. From the 1940s to the 1970s, the Mexican state was developmentalist, intervening extensively in the economy with import-substitution industrialisation (ISI) forming the chief policy. Rather than relying on a free market, neo-classical model, the developmentalist state actively created the economic conditions necessary to achieve growth.[43] The economic landscape was characterised by an extensive para-statal sector which supported private enterprise through subsidised services (railroads, petroleum, electricity) and investment loans.[44] High levels of protection, moreover, benefited both domestic and foreign companies producing for the domestic market.[45] The PRI government assumed ownership of many strategic industries that supplied crucial inputs to manufacturing. It also intervened in the market to ensure price stability, known as the period of 'stabilising development', combining a rapid growth rate with low inflation.[46]

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[42] Middlebrook, *The Paradox of Revolution, op.cit.*, p.29.

[43] There is a wealth of literature which examines the emergence, background, history and the political economy of the developmental state. See Johnson, Chalmers, *MITI and the Japanese Miracle: The Growth of Industrial Policy, 1925-1975*, Stanford: Stanford University Press, 1982; Johnson, Chalmers, *Japan: Who Governs? The Rise of the Developmental State*, New York: W.W. Norton, 1995; Wade, Robert *Governing the Market: Economic Theory and the Role of the Government in East Asian Industrialisation*, Princeton: Princeton University Press, 1990; Amsden, Alice H., *Asia's Next Giant. South Korea and Late Industrialisation*, New York and Oxford: Oxford University Press, 1989; Minns, John, *The Politics of Developmentalism: The Midas States of Mexico, South Korea and Taiwan*, Houndmills: Palgrave Macmillan, 2006; Leftwich, Adrian, 'Bringing Politics Back In: Towards a Model of the Developmental State', *The Journal of Development Studies*, Vol. 31, No. 3, 1995.

[44] Hamilton and Kim, 'Economic and Political Liberalisation in South Korea and Mexico', *op.cit.*, p.123.

[45] *ibid.*

[46] Levy and Bruhn, *op.cit.*, p.153.

State intervention in socioeconomic affairs provided government decision makers with the means to formulate development policies that helped build and sustain a diverse governing coalition which included major peasant, labour and business organisations.[47] PRI control over the trade unions also assured private business a co-operative labour force remunerated through state-approved wage settlements.[48] Development was based on an alliance between the state, the local private sector and foreign investors, or an "alliance for profits".[49] The strategy of 'Mexicanisation' ensured that from the 1940s and onwards, at least 50 per cent of any enterprise had to be in Mexican hands, a policy which was loosened considerably only after 1988.[50]

The Mexican 'economic miracle' resulted in dramatic economic growth, averaging 6 per cent per year between 1940 and 1970 and enabling the system to respond selectively to the demands and needs of various social groups.[51] Real economic growth rates averaged 7.2 per cent per year from 1961 to 1970, 5 per cent from 1970 to 1977 and 8.4 per cent per year from 1978 to 1981.[52] There was a consensus among the state, the private sector and foreign investors which kept the power structure intact – Mexico would pursue a capitalist path to economic growth – a premise which required that the popular masses be kept under control through state measures.[53] Throughout this period, the stability of the Mexican system was predicated on the economic situation being favourable for the PRI. Continuing economic growth was necessary for the distribution of rewards and the maintenance of a broad, class consensus. As long as the PRI could buy off dissent, the system remained stable. Economic growth had anti-democratic consequences, as it strengthened the political system's ability to ward off democratic demands.[54] Essentially, economic growth enabled the PRI to maintain its undemocratic character and retain its hegemonic grip on the Mexican political system. By the end of the 1960s however, the PRI was struggling to maintain the political

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[47] Middlebrook, *The Paradox of Revolution, op.cit.*, p.29.
[48] Williamson, *op.cit.*, p.401.
[49] Smith, 'Mexico since 1946', in Bethell, *The Cambridge History of Latin America*, Vol. 7, *op.cit.*, p.95.
[50] Ai Camp, *Politics in Mexico*, 3rd ed., *op.cit.*, p.40.
[51] Hamilton and Kim, 'Economic and Political Liberalisation in South Korea and Mexico', *op.cit.*, pps.122-123.
[52] Middlebrook, Kevin J., 'Dilemmas of Change in Mexican Politics', *World Politics*, Vol. 41, No. 1, October 1988, p.121.
[53] Smith, 'Mexico since 1946', in Bethell, *The Cambridge History of Latin America*, Vol. 7, *op.cit.*, pps.95-96.
[54] Levy and Bruhn, *op.cit.*, p.5.

stability which had been constructed by Cárdenas in the 1930s. The crucial event which heralded a dramatic shift in the nature of PRI rule was the democracy movement of 1968.

THE MEXICAN TRANSITION I: EXPLOSION OF SOCIAL DISCONTENT

The Mexican transition to democracy was spearheaded in 1968 by a mass movement which demanded political and social change. The events of 1968 were responsible for shifting the priorities of PRI rule, initiating a steady corrosion of the pillars which supported the government. Although the PRI maintained a democratic veneer and was moderate in comparison to the repressive nature of other Latin American regimes, it was essentially an authoritarian system which was not completely averse to repressive measures. This was clearly demonstrated by the Tlatelolco massacre in 1968.

Mexican student protests began in July 1968 following objections to police intervention on the National Autonomous University of Mexico (*Universidad Nacional Autónoma de México* – UNAM) campus.[55] Students made a list of demands, including the release of political prisoners, the abolition of the special riot police *(granaderos)* and compensation for students wounded in conflicts with the police and army, as well as the families of those students who had been killed.[56] In the lead up to the 1968 Olympics Games which were to be held in Mexico City, student protests evolved into a middle-class, peaceful movement for political democracy.[57] Opposition extended beyond students and encompassed an array of social forces, including workers, the urban poor, teachers, lawyers, academics and shopkeepers, reflecting the discontent that many Mexicans felt towards the economic and political system.

The protest movement called for democratisation and the creation of new participatory channels, revealing broad socio-political pressures for change – even more threatening for the PRI regime was the movement's effort to link a radical middle-class leadership with

[55] Young, Dolly Y., 'Mexican Literary Reactions to Tlatelolco 1968', *Latin American Research Review*, Vol. 20, No. 2, 1985, p.72.
[56] Hellman, Judith Adler, *Mexico in Crisis*, New York: Holmes and Meier Publishers, 1978, pps.137-139.
[57] Meyer, 'Mexico', in Lindau and Cheek, *op.cit.*, p.153.

opposition elements in the organised labour movement and the urban poor.[58] Official sectors of the PRI, including the CTM, supported the government position that the movement was the result of "subversive agents of the left and right", however, the independent railroad workers and electricians unions expressed their support and solidarity with the student movement.[59] The breadth of the opposition, including as it did so many of the middle class, made it fundamentally more threatening than previous episodes of dissent because of the fear that it could mobilise a larger following to challenge the regime.[60] The prospect of cross-class alliances was highly threatening to the PRI.

There was a dark side to the economic miracle. While Mexico's development model had benefited some, it had also produced severe social problems such as underemployment and increasing inequalities in the distribution of income.[61] Distribution of wealth was grossly uneven, the top 10 per cent of the population receiving about 40 per cent of the national income.[62] Not only were Mexico's poorest becoming worse off relative to other social classes, the poorest 20 per cent also became worse off in absolute terms between 1950 and 1968.[63] Expansion of capital-intensive agriculture for export increased the migration of peasants to cities and this rising labour surplus was aggravated by a demographic explosion due to a combination of lower mortality rates and traditionally high birth rates.[64] High rates of industrialisation and urbanisation produced social tensions which the PRI found hard to manage – the population swelled, particularly in the cities which consisted of vast shantytowns to which the benefits of the 'miracle' had not filtered down.[65]

Mexico's countryside and peasantry meanwhile, languished – economic growth did not trickle down as a result of government policies which focused on industrial development at the expense of agriculture. There was a huge gap between public investment in agriculture and industry – by 1964, the government spent 40 per cent of its total investment in industry

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[58] Middlebrook, Kevin J., 'Political Liberalisation in an Authoritarian Regime: The Case of Mexico', in O'Donnell, Schmitter and Whitehead, *Transitions from Authoritarian Rule: Latin America*, Vol. 2, *op.cit.*, p.126.
[59] Hellman, *op.cit.*, p.136.
[60] Cothran, *op.cit.*, p.93.
[61] Teichman, Judith A., 'The Mexican State and the Political Implications of Economic Restructuring', *Latin American Perspectives*, Vol. 19, No. 2, Spring 1992, p.90.
[62] Williamson, *op.cit.*, p.403.
[63] Cothran, *op.cit.*, p.95.
[64] Williamson, *op.cit.*, p.403.
[65] *ibid.*

and in agriculture, it spent only 11 per cent.[66] Labour also had major grievances against the regime – it called for an end to government repression and the right to form independent, genuinely democratic unions which would not be controlled by corrupt union leaders. The demands for an open and pluralist political system nevertheless, were interpreted by the PRI as a direct threat to the system and, in an attempt to discredit the protesters, it portrayed them as agents of a foreign conspiracy.[67]

On 2 October in the Plaza de las Culturas, government agents and the army violently repressed pro-democracy demonstrators, mostly students.[68] At least two thousand people were arrested. Estimates of the number of people killed vary widely – the official government numbers were 49 killed, but the *New York Times* correspondent estimated that 200 killed was a more likely figure, with hundreds of others wounded.[69] The massive impact of the Tlatelolco massacre on Mexican society has been extensively noted. Tlatelolco has been described as impinging on the political awareness of more individuals than any other event subsequent to the 1910 Mexican revolution.[70]

After 1968, an extensive body of literature emerged in Mexico, both fictional and non-fictional, collectively known as 'Tlatelolco literature'.[71] This represented an attempt to come to terms with the event and the perceived betrayal of the PRI government. The editorial in one of the major daily newspapers, *Excelsior*, on 3 October 1968, spoke of an "infinite desperation, a severe, agonising sorrow" in the consciences of Mexican citizens – individual journalists in the same issue of *Excelsior* also spoke of "the pain and indignation" and demanded explanations: "the people have to know".[72] Cartoons showed silhouetted figures throwing a coffin adorned with the words "status quo" into the sea, as well as a rectangle filled with black ink carrying an accusing question: "why?".[73] This

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[66] Cothran, *op.cit.*, p.94.
[67] Meyer, 'Mexico', in Lindau and Cheek, *op.cit.*, p.153.
[68] Brewster, Claire, 'The Student Movement of 1968 and the Mexican Press: The Cases of *Excelsior* and *Siempre!*' *Bulletin of Latin American Research*, Vol. 21, No. 2, 2002, p.175.
[69] Young,, 'Mexican Literary Reactions to Tlatelolco 1968', *op.cit.*, p.72; Smith, 'Mexico since 1946', in Bethell, *The Cambridge History of Latin America*, Vol. 7, *op.cit.*, pps.121-122.
[70] Stevens, Evelyn P., 'Protest Movement in an Authoritarian Regime: The Mexican Case', *Comparative Politics*, Vol. 7, No. 3, April 1975, pps.375-376.
[71] Young,, 'Mexican Literary Reactions to Tlatelolco 1968', *op.cit.*, p.71.
[72] Brewster, 'The Student Movement of 1968 and the Mexican Press', *op.cit.*, pps.182-183.
[73] *ibid.*

highlights the shocked and angry reaction that many Mexicans felt towards the massacre, and the underlying belief that life would never be the same again.

Tlatelolco was a collective trauma which marked the watershed from the old order to the onset of crisis.[74] The student protests of 1968 were unprecedented for the widespread questions they raised about the lack of democracy in Mexico.[75] The crisis of 1968 initiated a sustained national debate on the shortcomings and contradictions of Mexican development – most importantly, it seriously challenged the myth of the Mexican revolution and the assumption of progressive achievement of socio-economic and political justice which was associated with Mexico's post-1940 development model.[76] Tlatelolco "cast a long shadow" over Mexican society and politics and has been since remembered as Mexico's 'sad night' *(noche triste).*[77] More than any other event in Mexican history, the Tlatelolco massacre undermined the legitimacy of the PRI regime. Although the spark that ignited the 1968 conflict was student demonstrations against police interventions on the UNAM campus, participation in the democracy movement was an expression of political feelings far more complex and long term.[78] Many of the protestors felt that the PRI regime had failed to fulfill the promises of the 1910 revolution – the Mexican people felt betrayed by the government when it brutally attacked them for expressing legitimate demands.[79]

New forms of opposition emerged after the slaughter at Tlatelolco – although not uniform, this opposition provided a challenge to the PRI.[80] After 1968, many looked to the left to form political organisations and groups which demanded democratic, social and economic change. A new generation of political activists and a Mexican New Left emerged which organised new social movements of peasants, workers and the urban poor throughout the country.[81] Student activists went to the neighbourhoods, factories and villages to form

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[74] Bailey, *op.cit.*, p.19.
[75] Levy, 'Mexico', in Diamond, Linz and Lipset, *op.cit.*, p.143.
[76] Middlebrook, 'Political Liberalisation in an Authoritarian Regime', in O'Donnell, Schmitter and Whitehead, *Transitions from Authoritarian Rule: Latin America*, Vol. 2, *op.cit.*, p.126.
[77] Smith, 'Mexico since 1946', in Bethell, *The Cambridge History of Latin America*, Vol. 7, *op.cit.*, p.122.
[78] Hellman, *op.cit.*, p.139.
[79] Brewster, 'The Student Movement of 1968 and the Mexican Press', *op.cit.*, p.175.
[80] Hamnett, Brian R., *A Concise History of Mexico*, 2nd ed., Cambridge: Cambridge University Press, 2006, p.261.
[81] La Botz, *Democracy in Mexico, op.cit.*, pps.62-63.

grassroots movements.[82] Mainly focusing their efforts on non-electoral change, Mexicans organised around specific demands such as those relating to land, housing and high water rates.[83] Emphasising autonomy from the state, such movements were particularly worrying for the regime – if they were independent, they could not also not be controlled from above. It seemed that the PRI's worst nightmares were coming true.

Disillusioned with the limits of political and economic reform, guerilla groups emerged in urban and rural areas in the early 1970s. In the countryside, peasants seized and occupied land in the northern and southern states, while in the urban centres, guerrillas staged kidnappings, bank robberies, bombings and political assassinations. Despite the fact that the government largely crushed the guerrilla threat by the end of the 1970s, these actions led to a political foment that the PRI could not easily contain. A number of new independent peasant organisations emerged in the 1970s and they began to form alliances with other sectors of the population – urban squatters, rank and file labour militants, teachers, students and left-wing political movements.[84] Several left-wing groups emerged, one of the most prominent was the Popular Politics tendency (later the Proletarian Line). Influenced by Maoist ideology, organisers established political groups in rural communities, urban slums and labour unions throughout Mexico, particularly in the northern states.[85] Poor people in Mexico's shantytowns organised militant demonstrations for water, electricity and other services.[86] Although most of these groups had limited support, they were responsible for maintaining the politicised climate which arose after 1968. The most important sector and the one which presented the most formidable challenge to the government was the labour movement. Both the labour and the pro-democracy movement in 1968 (and afterwards) were connected by a general sense of disillusionment with the regime and with a sense that it could be changed.

The democracy movement of 1968 placed the government on the defensive and its policies following the Tlatelolco massacre clearly reflect this changed state of affairs. The PRI was

[82] Fox, Jonathon and Luis Hernandez, 'Mexico's Difficult Democracy: Grassroots Movements, NGOs and Local Government', *Alternatives*, No. 17, 1992, p.171.
[83] Gutmann, Matthew C., *The Romance of Democracy: Compliant Defiance in Contemporary Mexico*, Berkeley: University of California Press, 2002, p.66.
[84] Cockcroft, James D., *Mexico: Class Formation, Capital Accumulation and the State*, New York: Monthly Review Press, 1983, p.247.
[85] La Botz, *Democracy in Mexico, op.cit.*, p.33.
[86] *ibid.*, p.63.

fast losing its dominant position in Mexican politics and society due to increasingly stronger opposition elements, particularly labour. The following chapter will demonstrate how the labour insurgency between 1968 and 1976 was able to push the transition forward and in fact, make the transition possible. From the late 1960s and onwards, the ruling party was forced to redraw Mexico's institutional structures in order to preserve its weakened hold over society. One of the ways in which the PRI achieved this was in the arena of electoral reform.

THE MEXICAN TRANSITION II: ELECTORAL REFORM, SOCIAL PRESSURES & ECONOMIC CONSTRAINTS

Since the 1930s, regular elections have played an important part in maintaining the legitimacy of the PRI. Because elections had been held on schedule since then, its leadership was able to project the democratic image of a party fairly participating in competitive politics. Yet the democratic image masked a very undemocratic reality in which genuine opposition was repressed or co-opted. More importantly, because of the deep roots of the PRI in Mexican society and its near total dominance of political life – from the village to the Presidential Palace – elections posed little threat to it during most of its period in office. With few exceptions, PRI candidates won every election until the 1980s.[87]

The first sign of any electoral reform was little more than an attempt to slightly polish this democratic image. In 1962, President Adolfo López Mateos (1958-64) created 'party deputies' which increased the representation of opposition parties in the Chamber of Deputies.[88] It also enabled opposition parties to obtain representation in the national legislature without actually winning any electoral races.[89] The main beneficiaries were the National Action Party (*Partido Acción Nacional* – PAN), the smaller Mexican Communist Party (*Partido Comunista Mexicano* – PCM), the Socialist Popular Party (*Partido Popular*

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[87] Levy and Bruhn, *op.cit.*, p.87.
[88] Kaufman Purcell, Susan, 'Mexico in Transition', in Kaufman Purcell, Susan (ed), *Mexico in Transition. Implications for U.S. Policy: Essays from Both Sides of the Border*, New York: Council on Foreign Relations, 1988, p.9.
[89] Smith, 'Mexico since 1946', in Bethell, *The Cambridge History of Latin America*, Vol. 7, *op.cit.*, p.117.

Socialista – PPS) and the Authentic Party of the Mexican Revolution (*Partido Auténtico de la Revolución Mexicana* – PARM). During this period, opposition parties provided superficial criticism of the government to retain the illusion of democracy.[90] In the congressional elections of 1964, the PAN gained 18 seats, however, the PRI still remained the dominant party with 175 seats.[91] Before the 1962 reforms, opposition parties had secured only 9 of the 162 seats, in 1964, their full total came to 35 out of a total of 210.[92] Although these reforms allowed a slightly larger opposition to emerge and gain representation in national politics, they posed no serious threat to PRI hegemony.

A more significant period of reform began in the aftermath of Tlatelolco. The protest movement in 1968 had called for democratisation and the creation of new participatory opportunities.[93] Moreover, this movement came from outside the old parties whose rather token opposition had, for decades, only served to legitimise the PRI. At Tlatelolco a very different sort of opposition was on display – one which posed a much greater threat to the PRI. As pointed out above, the government's slaughter of the demonstrators provided a cathartic moment in the nation's politics. Popular revulsion at its actions forced the following administration – that of Luis Echeverría (1970-1976) to make much more serious concessions. The reforms which were subsequently enacted were a response to mass upheaval.

The civil maelstrom begun at Tlatelolco continued into the 1970s. Protests and demonstrations spearheaded by workers – many now organised in a growing independent labour movement posed significant problems for the PRI. President Echeverría launched what he described as an *'apertura democrática'* (democratic opening) intended to give the PRI some breathing space and revive its flagging legitimacy. Between 1971 and 1973, he lowered the voting age was lowered from 21 to 18.[94] Requirements to register parties for national elections were also made easier and the reforms made it easier still for opposition parties to win seats in the Chamber of Deputies.[95] This was still, of course, an attempt by

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[90] *ibid.*
[91] Hamnett, *op.cit.*, p.256.
[92] *ibid.*
[93] Middlebrook, 'Political Liberalisation in an Authoritarian Regime', in O'Donnell, Schmitter and Whitehead, *Transitions from Authoritarian Rule: Latin America*, Vol. 2, *op.cit.*, p.126.
[94] Bailey, *op.cit.*, p.112.
[95] *ibid.*

the PRI to maintain control. But it realised that doing so in these new conditions of heightened and radicalising opposition was only possible by a strategy trying to split the more moderate sections of the opposition – which might be satisfied by electoral reform – from those who wanted much more. This more radical opposition on the streets and in the factories was making demands for improved wages, working conditions and housing and fighting for a form of union and workplace democracy which could only undermine the CTM's (and therefore the PRI's) control of labour. To satisfy those demands would mean an end to the Mexican model of extremely unequal but rapid 'development'. So the safer course for the regime after 1968 was to continue electoral reform.

Along with electoral reform, the PRI attempted to restore faith in the ruling party through economic means from the 1970s onwards. As discussed earlier, the use of incentives and rewards was an important element in the stability of the PRI regime. This however, came with a catch – the distribution of material benefits was predicated on a rapidly expanding economy. During the 1960s the average growth rate was nearly 6.5 per cent per annum but in 1971, it dropped to 3.5 per cent.[96] When economic growth slowed, the PRI was confronted with a serious dilemma. It not only faced political opposition as a result of the fallout from the Tlateololco massacre, but economic downturn which threatened to erupt into social conflict and a generalised decline in support for the regime amongst the various sectors of society – workers, peasants, the middle classes, the urban poor and business interests. Echeverría's *sexenio* began with the implementation of conservative measures – he drastically reduced public spending to put an end to inflation.[97] But with the economic downturn, President Echeverría introduced a new economic strategy in order to appease the different social classes who were adversely affected – 'shared development'. Conservative measures were rapidly abandoned in favour of an activist, growth-oriented economic policy.[98]

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[96] Coleman, Kenneth M. and Charles L. Davis, 'Preemptive Reform and the Mexican Working Class', *Latin American Research Review*, Vol. 18, No. 1, 1983, p.6.
[97] Davis, Diane E., 'The Dialectic of Autonomy: State, Class and Economic Crisis in Mexico, 1958-1992', *Latin American Perspectives*, Vol. 20, No. 3, Summer 1993, p.53.
[98] Smith, 'Mexico since 1946', in Bethell, *The Cambridge History of Latin America*, Vol. 7, *op.cit.*, p.132.

The cornerstone of 'shared development' was a massive increase in public spending which poured into housing, schooling and other development programmes.[99] Echeverría's policy aimed at reducing income inequalities and unemployment and raising the standard of living.[100] This dramatic shift however, represented a pattern which emerged under Echeverría – a sharp swing from cuts in spending to a complete turnaround by increasing public spending. Together with the *apertura democrática*, government spending and stimulation of the economy was an attempt to restore its eroding legitimacy. But it also came at a large cost – at the end of his term, inflation ran rampant, the foreign debt continued to soar at alarming levels, the public sector deficit multiplied and capital flight also increased as the peso became overvalued and investor confidence was undermined by President Echeverría's populism.[101]

The general trend of controlled liberalisation continued under President José López Portillo (1976-1982). Enacted one year into his six-year term *(sexenio)* was the Federal Law on Political Organisations and Electoral Processes (LFOPPE). It increased the number and ideological diversity of officially registered political parties participating in the electoral sphere.[102] Instead of four, seven parties were officially recognised and the Chamber of Deputies was expanded from 300 to 400 seats.[103] The LFOPPE mainly benefited the smaller parties at both ends of the political spectrum.[104] As a result of these reforms, the rules governing elections were altered so that the opposition was allowed greater access to mass communications, such as television, radio and print.[105]

The purpose of these reforms, however, was part of an ongoing PRI strategy of political liberalisation without structural change. They were not intended to create a stronger

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[99] *ibid.*
[100] Rodríguez, Victoria E., *Decentralisation in Mexico: From Reform Municipal to Solidaridad to Nuevo Federalismo*, Boulder: Westview Press, 1997, p.68.
[101] Grindle, Merilee S., *Challenging the State: Crisis and Innovation in Latin America and Africa*, Cambridge: Cambridge University Press, 1996, p.51.
[102] Middlebrook, 'Political Liberalisation in an Authoritarian Regime', in O'Donnell, Schmitter and Whitehead, *Transitions from Authoritarian Rule: Latin America*, Vol. 2, *op.cit.*, pps.123,135.
[103] Wise, Carol, 'Mexico's Democratic Transition: The Search for New Reform Coalitions', in Wise, Carol and Riordan Roett (eds), *Post-Stabilisation Politics in Latin America: Competition, Transition*, Washington D.C.: Brookings Institution Press, 2003, p.163.
[104] Kaufman Purcell, 'Mexico in Transition', in Kaufman Purcell, *op.cit.*, p.9.
[105] Middlebrook, 'Political Liberalisation in an Authoritarian Regime', in O'Donnell, Schmitter and Whitehead, *Transitions from Authoritarian Rule: Latin America*, Vol. 2, *op.cit.*, p.123.

political opposition that could viably compete against the PRI.[106] Instead, the LFOPPE ensured an increase in the level of diversity in the party system by making the electoral process accessible to smaller opposition parties, thereby bolstering PRI legitimacy without directly challenging its hegemony.[107] Rather than create a pluralist system, the effect of such cosmetic measures was to bolster a modified one-party system.[108] The PRI's main concerns were to create legitimate avenues for opposition activity to prevent an accumulation of pressure that might erupt in violence and massive social upheaval.[109] Liberalisation was part of the PRI strategy to show its commitment to democratic ideals and to revive its declining legitimacy. Overall, electoral reforms tended to preserve the existing balance of forces by protecting the PRI's dominance while accommodating a slowly growing, but still divided opposition camp.[110]

Continuing the trend set by Echeverría, President López Portillo's *sexenio* began conservative in an effort to regain the confidence of the bourgeoisie and restore economic stability. An IMF austerity programme stabilised the peso but at the cost of a drop in real wages and rising unemployment.[111] Although such measures appeased the private sector, they fostered dissatisfaction among labour and nationalised industry because it called for cuts in social expenditures, reductions in wage increases and a wider opening of the economy to international market forces.[112] López Portillo was faced with rising social discontent and the situation was once again looking unfavourable for the government.

The discovery of major oil revenues in the late-1970s, however, enabled the PRI to postpone structural reform and to distract the populace from mounting economic problems. By 1982, Mexico's oil reserves were estimated at 72 billion barrels, with probable reserves at 90-150 billion and potential reserves at 250 billion, which amounted to the sixth largest reserves in the world.[113] Rapid exploitation and export of petroleum reserves gave the

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[106] Shirk, *op.cit.*, p.24.
[107] *ibid.*
[108] Levy and Székely, *op.cit.*, p.77.
[109] Bailey, *op.cit.*, p.113.
[110] Diaz-Cayeros, Alberto and Beatriz Magaloni, 'Party Dominance and the Logic of Electoral Design in Mexico's Transition to Democracy', *Journal of Theoretical Politics*, Vol. 13, No. 3, 2001, p.282.
[111] Williamson, *op.cit.*, p.404.
[112] Davis, 'The Dialectic of Autonomy', *op.cit.*, p.59.
[113] Morton, Adam David, 'Structural Change and Neoliberalism in Mexico: "Passive Revolution" in the Global Political Economy', *Third World Quarterly*, Vol. 24, No. 4, 2003, p.637.

beleaguered PRI government some breathing space. As a result, López Portillo abandoned conservative economic policies and resorted to populist measures. He used oil revenues to support policies that catered to a multiplicity of class interests.[114]

Starting in 1979, public sector spending increased in almost all areas of the economy.[115] Spending grew from 31 per cent of GDP in 1977 to 44 per cent of GDP in 1981.[116] Government construction, public works, social welfare projects and government subsidies of consumer goods were all part of the PRI strategy to stave off popular pressure for more political and economic change. [117] The regime's principal objective was to salvage its legitimacy and establish political stability by catering to different class forces.[118] In September 1982, López Portillo nationalised the banks. This, however, did not cater to the private sector – it was the final straw after years of economic policies which had generated antagonism. Such a bold act was not part of a consistent or skillfully planned PRI strategy – it was a desperate move to reaffirm its dominance over the economic means of production and to reinforce its position as the chief political force in Mexican politics.

The *sexenios* of Echeverría and López Portillo, therefore, demonstrate the PRI's efforts to buy back support from disaffected classes following Tlatelolco. Their risky efforts to do so highlight the considerable lengths that both presidents went to in order to maintain popular support. Concerted efforts were made to restore the PRI's hegemonic position by trying to cater to disaffected groups in society simultaneously, without satisfying one entirely. Inconsistent policy measures were a clear signal that the PRI was desperate to retain its grip on power. Once again, the attempt to stave off political crisis came at great cost – it contributed to economic and political instability which ultimately undermined the PRI regime.[119] Reckless amounts of government spending under Echeverría and López Portillo had been financed through massive foreign borrowing, and as a result, Mexico's debt increased considerably. In 1976, Mexico's foreign debt stood at $20 billion US dollars, in

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[114] Davis, 'The Dialectic of Autonomy', *op.cit.*, p.59.
[115] *ibid.*
[116] Frieden, Jeffry A., *Debt, Development and Democracy: Modern Political Economy and Latin America, 1965-1985*, Princeton: Princeton University Press, 1991, p.198.
[117] Meyer, Michael C., William L. Sherman and Susan M. Deeds, *The Course of Mexican History*, 7th ed., New York and Oxford: Oxford University Press, 2003, p.655.
[118] Davis, 'The Dialectic of Autonomy', *op.cit.*, pps.58-59.
[119] Shirk, *op.cit.*, p.31.

1980 it had reached $50 billion dollars.[120] It was becoming increasingly impossible to prevent an economic crisis of massive proportions, as the PRI could not buy off discontent while maintaining an overheated economy for much longer. By trying to save itself, the regime only made the situation worse – the limits of populist strategies was soon made clear in the debt default of 1982.

Another factor in the continuation of electoral reform in the 1980s and 1990s, was the profound economic crisis which struck the country in the early 1980s and the savage neo-liberal reforms which followed it. Under President Miguel de la Madrid (1982-1988), Mexico was forced to default on its international debt in 1982. This was precipitated by a drastic decline in oil prices and a hike in interest rates which sharply reduced the nation's ability to pay its immense foreign debt of $90 billion dollars.[121] The International Monetary Fund (IMF) intervened with a rescue fund of billions and the demand for major structural changes. Implementation of an orthodox macroeconomic stabilisation program had disastrous consequences for the population.[122]

Large-scale privatisation of state-run firms, cuts in subsidies to basic foods and slashed wages brought unemployment, greater poverty and desperation to millions. An estimated 1 million workers lost their jobs between 1982 and 1983, also, the government's cutbacks in expenditures resulted in the loss of more than 80,000 jobs in the public sector during the 1983-85 period.[123] The removal of long-standing price subsidies on a range of products and services, from tortillas to gasoline to public transportation was crippling.[124] There was a drastic deterioration in the standard of living as sharp devaluations of the peso led to a drop in purchasing power and an increase in the inflation rate.[125] The economic pain inflicted did not just affect the poor and the middle classes – government workers and the sectors tied to

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[120] Davis, 'The Dialectic of Autonomy', *op.cit.*, p.58.
[121] Bruhn, Kathleen, 'The Seven-Month Itch? Neoliberal Politics, Popular Movements and the Left in Mexico', in Chalmers, Douglas A. and Carlos M. Villas (eds) *et al*, *The New Politics of Inequality in Latin America: Rethinking Participation and Representation*, Oxford: Oxford University Press, 1997, p.145.
[122] Wise, 'Mexico's Democratic Transition', in Wise and Roett, *op.cit.*, p.167.
[123] Ramírez, Miguel D., 'Mexico's Development Experience, 1950-1985: Lessons and Future Prospects', *Journal of Interamerican Studies and World Affairs*, Vol. 28, No. 2, Summer 1986, p.56.
[124] Delal Baer, M. and Sidney Weintraub, 'The Pressures for Political Reform in Mexico', in Delal Baer, M. and Sidney Weintraub (eds), *The NAFTA Debate: Grappling with Unconventional Trade Issues*, Boulder: Lynne Rienner Publishers, 1994, p.167.
[125] *ibid.*

the state saw their benefits retract and their wages fall.[126] The IMF package included the reduction of government expenditures and the imposition of controls on salaries, prices and inflation.[127] As a result, during de la Madrid's presidency, Mexico experienced the worst economic crisis in its post-revolutionary history.[128]

Economic devastation forced the PRI to attempt to further accommodate some of its critics. In the first half of 1983, de la Madrid recognised a series of local-level (municipal) opposition victories, marking the first time that the PRI officially conceded opposition party victories in major cities.[129] All of these elections were won by the PAN, except for in the city of Guanajuato which was won by a coalition of the PAN and the Mexican Democratic Party (*Partido Demócrata Mexicano* – PDM).[130] In 1986, the Chamber of Deputies was enlarged to include 500 seats and some were designated according to each party's share of the total vote.[131] This was a change from the previous majority vote which had always resulted in PRI victory in congressional elections.[132] The government's allowances however, were too little too late – they failed to satisfy a large proportion of the population who now blamed the ruling party for Mexico's economic woes. Between 1982 and 1987, economic growth rates fell to an average -0.3 per cent per year.[133] So bad were the effects of the economic crisis that the PRI was soon faced with opposition from within its own party.

Popular opposition to the new economic strategy found its expression within the PRI itself. A leading PRI member, Cuauhtémoc Cárdenas (the son of Lázaro Cárdenas), campaigned against the neo-liberal policies and found immediate support. Cárdenas formed the Democratic Current *(Corriente Democrática)* which was initially organised as the *Frente Democrático Nacional* (FRD) and eventually organised into a political party, the Party of the Democratic Revolution (*Partido de la Revolución Democrática* – PRD). The threat posed by this new opposition went to the heartland of PRI support – Cárdenas was the very

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[126] Langston, 'Breaking Out is Hard to Do', *op.cit.*, p.74.
[127] Ai Camp, Roderic, *Politics in Mexico*, 2nd ed., New York: Oxford University Press, 1996, p.229.
[128] Bruhn, 'The Seven-Month Itch?' in Chalmers and Villas *et al*, *op.cit.*, p.145.
[129] Middlebrook, 'Political Liberalisation in an Authoritarian Regime', in O'Donnell, Schmitter and Whitehead, *Transitions from Authoritarian Rule: Latin America*, Vol. 2, *op.cit.*, p.144.
[130] *ibid.*
[131] Wise, 'Mexico's Democratic Transition', in Wise and Roett, *op.cit.*, p.163.
[132] *ibid.*
[133] Middlebrook, 'Dilemmas of Change in Mexican Politics', *op.cit.*, p.121.

soul of the PRI – the heir of its traditions as well as its most famous name. Denouncing what they saw as an economic policy to pay Mexico's debt at the expense of social welfare, Cárdenas and his allies began to argue, not only against neo-liberalism, but for democratic reform as well.[134]

Mexico's transition gained momentum with the PRI split in 1988 and the formation of the PRD. It was a sign that the PRI was fracturing and fast losing its hold over its members as well as its constituents. The emergence of a left coalition introduced a degree of party competition previously absent in the country's one-party regime.[135] In the 1988 elections, the PRI won with a bare majority – Carlos Salinas received the lowest percentage of the vote by the PRI ever – a majority of 50.36 per cent, while Cárdenas received 31.12 per cent and the PAN candidate, Manuel Clouthier received 17.07 per cent.[136] Prior to 1982, the PRI vote stood at 70 to 90 percent.[137] Such a dramatic drop in electoral support was also reflected in congressional elections, as the PRI's share of seats in the Chamber of Deputies fell from a little over 86 per cent in 1976 to just more than 50 per cent.[138]

This heralded a change in the electoral fortunes of the PRI. It demonstrated the amount of opposition that the ruling party generated as a result of its neo-liberal policies as well as popular frustration at the gradual pace of democratisation. The 1988 elections were one of the most contested elections in Mexican history and it is generally believed that PRI victory was obtained as a result of electoral fraud.[139] Despite strong evidence proving such fraud, the PRI managed to remain in power over the next decade. In fact, electoral rorting was the only thing that saved the PRI from defeat in 1988. The creation and success of the PRD was important for the Mexican transition to democracy because it consisted of a genuine opposition in the electoral sphere which could unseat the PRI from its hegemonic position.

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[134] Bruhn, Kathleen, 'Social Spending and Political Support: The "Lessons" of the National Solidarity Program in Mexico', *Comparative Politics*, Vol. 28, No. 2, January 1996, p.154.
[135] Bruhn, 'The Seven-Month Itch?' in Chalmers and Villas *et al*, *op.cit.*, p.145.
[136] Needler, Martin C., *Mexican Politics: The Containment of Conflict*, 3rd ed., Westport, Connecticut: Praeger, 1995, p.29.
[137] Dresser, Denise, 'Mexico: From PRI Dominance to Divided Democracy', in Dominguez, Jorge I. and Michael Shifter (eds), *Constructing Democratic Governance in Latin America*, 2nd ed., Baltimore and London: The Johns Hopkins University Press, p.329.
[138] Wise, 'Mexico's Democratic Transition', in Wise and Roett, *op.cit.*, pps.162-163.
[139] Shadlen, 'Continuity and Change', *op.cit.*, p.403.

In response to the allegations of electoral fraud in the 1988 elections and in an attempt to demonstrate an enduring commitment to democratisation, President Carlos Salinas (1988-1994) continued to institute further reforms. In 1992-93, the size of the senate was doubled, with additional seats allocated according to a complicated but more proportional formula.[140] Populist measures were also implemented to pacify the urban masses. The National Solidarity Program (*Programa Nacional de Solidaridad* – PRONASOL) was a social welfare program designed to meet the needs of the urban poor. It aimed to alleviate poverty through providing state funds for locally generated projects.[141]

Billed as a poverty alleviation programme, PRONASOL combined government financial support and citizen involvement to design and implement community development and public works projects.[142] It was supposed to ameliorate the increasing gap between rich and poor and the stark inequalities generated by the continued implementation of neo-liberalism. There were however, other purposes behind the programme – it sought to prevent an alliance from forming between the PRD and the urban popular organisations and the popular sector generally.[143] PRONASOL was also intended to consolidate political support by buying off a section of the electorate.[144] The PRI's attempts to recover lost ground as a result of the devastating economic and social effects of neo-liberal policies however, proved somewhat in vain as the main beneficiary of these electoral reforms was the PAN.

Created in 1939, the PAN was essentially a party of the right – it was organised by urban middle-class conservatives and had the support of the Catholic Church and some businessmen, professionals and intellectuals. Until the 1960s, only the PAN had provided the PRI with any significant electoral opposition.[145] It was not until 1979 that the PAN attained considerable success when the elections of that year confirmed its status as the

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[140] Levy and Bruhn, *op.cit.*, p.88.
[141] Teichman, Judith A., 'Neoliberalism and the Transformation of Mexican Authoritarianism', Paper presented at the International Workshop on *Democracy, Civil Society and Societal Change: Mexico in the Post-NAFTA Era*, Working Paper Series, Ontario, York University, September 22-24, 1995, p.9. Accessed 13 January, 2006. http://www.yorku.ca/cerlac/documents/Teichman.pdf.
[142] Morton, 'Structural Change and Neoliberalism in Mexico', *op.cit.*, p.643.
[143] Piester, Kerianne, 'Targeting the Poor: The Politics of Social Policy Reforms in Mexico', in Chalmers and Villas *et al*, *op.cit.*, pps.481-482.
[144] Bruhn, 'Social Spending and Political Support', *op.cit.*, p.157.
[145] Rodríguez, *op.cit.*, p.47.

principal party of the opposition.[146] It won more than 1.5 million votes (11 per cent of the total), 4 seats in the Chamber of Deputies under the system of simple majority and 39 seats on the basis of the new system of proportional representation.[147]

Increasing support for the PAN can be found in the populism of the Echeverría and López Portillo administrations. Business interests were alarmed at the economic policies of both presidents – many deserted the PRI because they felt that the PAN could serve them better. Important sectors of the bourgeoisie lost faith in the PRI's ability to manage the economy and Mexican society in general. In particular, López Portillo's bank nationalisation was the last nail in the coffin – it further alienated the private sector and led many industrialists to throw their support behind the PAN. This was evident in the 1982 elections which yielded impressive results for the party in the Chamber of Deputies, where it increased the number of its deputies elected under proportional representation to 50.[148] In July 1989, the PAN won the first recognised opposition victory in a gubernatorial race in Baja California thus ending 60 years of absolute PRI monopoly at the state level.[149]

The PAN continued to steadily increase its representation at the state and national level while the PRI and the PRD experienced mixed results in the 1990s. Although there was a substantial improvement in the PRI's fortunes in the 1991 federal congressional elections in which its support increased by 10 per cent, to 61 per cent of the popular vote, the vote for the PRD fell dramatically from 31 to just 8.3 per cent.[150] In the 1994 presidential elections, the PRI's Ernesto Zedillo won with 50.1 per cent, the PAN received 26.7 per cent and the PRD received 17.1 per cent.[151] However, the PRI lost the election for the mayor of Mexico City to Cárdenas and the PRD in 1997 and in the congressional elections of the same year, the PRI, for the first time, lost its absolute majority in the lower house of congress to the PAN, the PRD and two minor parties.[152] In the 1997 mid-term elections, the PAN

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[146] Levy and Székely, *op.cit.*, p.71.
[147] *ibid.*
[148] *ibid.*
[149] Crespo, José Antonio, 'Party Competition in Mexico: Evolution and Prospects', in Middlebrook, Kevin J (ed)., *Dilemmas of Political Change in Mexico*, University of London: Institute of Latin American Studies, 2004, p.71.
[150] Bruhn, 'Social Spending and Political Support', *op.cit.*, p.161.
[151] Buendía, Jorge, 'The Changing Mexican Voter, 1991-2000', in Middlebrook, *Dilemmas of Political Change in Mexico*, *op.cit.*, p.110.
[152] Radu, Michael, 'Mexico: Slouching Toward Normality', *The Washington Quarterly*, Vol. 23, No. 3, Summer 2000, p.43.

continued to obtain impressive results at the polls – it received 26.6 per cent, while PRI support fell to a historic low of 39.1 percent and the PRD's share also dropped to 25.7 per cent.[153] The declining success of the left was the result of its failure to offer an alternative to the PRI – it failed to offer leadership to the masses and did not establish other organisations (such as worker or peasant organisations) which could rival or challenge the PRI. Meanwhile, the PAN was able to capitalise on the left's loss of support.

In the 1990s, the nature of PRI rule was qualitatively different from previous decades. Although the party remained in power, it was no longer leading Mexico from a position of strength. It now garnered less than 50 per cent of the total national vote in elections, compared with the 70 to 90 per cent that it had received in earlier decades. The cumulative impact of economic and political strife forced the government of Ernesto Zedillo (1994-2000) to respond with more concessions in an effort to deal with rising social discontent. The December 1994 devaluation of the peso and an economic crisis in 1995-96 resulted in a massive outburst of popular opposition in response to inflation and a generalised decline in living standards.[154] Allegations of corruption and criminal activity among senior politicians, combined with the indigenous Zapatista (*Ejército Zapatista de Liberación Nacional* – EZLN) uprising, prompted the PRI to institute additional electoral reforms. These included the development of a new national registry of voters, campaign finance reform and improved opposition access to the media.[155] Reforms were also enacted to ensure the autonomy of the Federal Electoral Institute (*Instituto Federal Electoral* – IFE), an organisation that was created in order to supervise and mediate elections. The IFE was given greater ability to enforce the new laws and oversee a cleaner, fairer and more transparent electoral process.[156]

Mexican non-government organisations (NGO) also played a leading role in the reform of the IFE in the mid-1990s. Pro-democracy NGOs constantly campaigned for open elections and monitored instances of electoral irregularities throughout the country. One of the most prominent NGOs was the Civic Alliance (*Alianza Cívica*), a network of 400 civic groups

[153] Buendía, 'The Changing Mexican Voter, 1991-2000', in Middlebrook, *Dilemmas of Political Change in Mexico*, *op.cit.*, p.110.
[154] Shadlen, 'Continuity and Change', *op.cit.*, p.406.
[155] *ibid.*, pps.406-407.
[156] *ibid.*, p.407.

and smaller NGOs.[157] The Civic Alliance was formed in 1994 in order to oversee the 1994 presidential election – it had observers in 1,810 polling stations around Mexico.[158] The activities of Civic Alliance were not just limited to poll watching and oversight of election officials on election day, they also included an assessment of media coverage, campaign spending and a broader effort to inform voters of their rights.[159] Such efforts significantly advanced demands for the effective autonomy of electoral institutions, in particular the IFE.

Essentially, Salinas and Zedillo presided over the decline of the PRI state and their policies reflect this awareness. Salinas's social welfare program PRONASOL was adopted in order to win political support and soften the blow of neo-liberal measures, while Zedillo's political reforms were enacted to counter the PRI's diminishing legitimacy and to enhance political stability.[160] But these reforms and populist measures did not restore confidence in the PRI, nor did they win back the support or loyalty of many Mexicans. Due to vast sources of patronage through its unilateral control of the state apparatus, the PRI was able to control access to employment and advancement throughout the decades of stable rule.[161] Regime decomposition was a slow process due to the combination of deeply rooted popular allegiances to the PRI and a complex network of worker, peasant and popular organisations.[162] It involved the gradual erosion of a hegemonic party's bases.[163] The historic roots of the PRI were such that it was not defeated until 2000 by the PAN – Vicente Fox received 43.4 per cent, the PRI share of the vote decreased to an unprecedented low of 36.9 per cent and the PRD's share dropped to 17 per cent.[164] The presidential elections of 2000 completed the Mexican transition, ending 70 years of PRI rule.

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[157] Middlebrook, Kevin J., 'Mexico's Democratic Transitions: Dynamics and Prospects', in Middlebrook, *Dilemmas of Political Change in Mexico*, *op.cit.*, p.13.
[158] Preston, Julia and Samuel Dillon, *Opening Mexico: The Making of a Democracy*, Farrar, Straus and Giroux: New York, 2004.
[159] Middlebrook, Kevin J., 'Mexico's Democratic Transitions: Dynamics and Prospects', in Middlebrook, *Dilemmas of Political Change in Mexico*, *op.cit.*, p.13.
[160] Levy and Bruhn, *op.cit.*, p.51.
[161] Magaloni, Beatriz, 'The Demise of Mexico's One-Party Dominant Regime: Elite Choices and the Masses in the Establishment of Democracy', in Hagopian, Frances and Scott Mainwaring (eds), *The Third Wave of Democratisation in Latin America: Advances and Setbacks*, Cambridge: Cambridge University Press, 2005, pps.121-122.
[162] Middlebrook, Kevin J., 'Mexico's Democratic Transitions: Dynamics and Prospects', in Middlebrook, *Dilemmas of Political Change in Mexico*, *op.cit.*, p.19.
[163] *ibid.*, p.9.
[164] Buendía, 'The Changing Mexican Voter, 1991-2000', in Middlebrook, *Dilemmas of Political Change in Mexico*, *op.cit.*, p.110.

THE MEXICAN TRANSITION: REFUTING THE MAINSTREAM VIEW

Conventional explanations of the Mexican transition assume a steady and controlled movement towards democracy, with the natural culmination being the PRI defeat in 2000. Such teleological analyses neglect the profound crises which plagued the PRI beginning in the late 1960s and continuing into the 1990s. These crises were the result of a steady attrition of the supports which had historically bolstered PRI governance. Throughout its 70-year history, the PRI state faced intermittent episodes of pressure. From 1968 onwards, the forces for pressure began to coalesce and compel the PRI to respond. The challenges which confronted the regime were qualitatively different from those in the past – they were not just episodic or sporadic, they represented opposition which was structural and reflected deep-seated discontent with the state and the nature of its undemocratic rule, not just individual policies.

The introduction of reform measures after the Tlatelolco massacre was an attempt by the PRI to initiate a controlled, measured liberalisation of the political system without ceding any significant power to the opposition. A slow liberalisation of the political system was part of a deliberate strategy which enabled the PRI to play a reformist game without dismantling the Mexican state.[165] These changes however, did not result in democratisation – they were designed to maintain the dominant position of the ruling party and win the support of the Mexican people. Liberalisation in Mexico did not follow elite-led transitology's framework for analysing political change. That is, the transition to democracy was not solely the result of a series of political bargaining between incumbents and the opposition, nor was it a natural development of the Mexican political system. It was not the PAN's "commitment to democratic values" that helped transform Mexican politics and "bring about a democratic transition", as Michael Ard argues.[166] Nor does Cuauhtémoc Cárdenas deserve sole credit as "the man who ignited the democratic transition".[167]

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[165] Poitras, Guy, 'Mexico's Problematic Transition to Democracy', in Kelly, Philip (ed), *Assessing Democracy in Latin America: A Tribute to Russell H. Fitzgibbon*, Boulder, Colorado: Westview Press, 1998, p.70.

[166] Ard, Michael J., *An Eternal Struggle: How the National Action Party Transformed Mexican Politics*, Westport, Connecticut: Praeger, 2003, p.1.

[167] Fernandez, Jose R., 'Divided We Fall', *Business Mexico*, Vol. 9, No. 10, October 1999, p.2.

Rather, political liberalisation was designed as a short-term measure intended to prolong PRI rule, and often enacted ad hoc in response to particular crises. Ard admits to as much when he states that the PRI's liberalisation moves were purely a procedural strategy so that the party could "maintain itself in power, not to initiate a true democratic transition".[168] The transition to democracy in Mexico was not the result of an intricately constructed political agreement among various elite groups who intended to democratise the Mexican system over the long-term. Reform occurred as a result of popular pressure in order to address the PRI's waning legitimacy. The changes were brought about by the ruling party but not because it was acting alone. They occurred under the pressure of a volatile population. Populist policies enacted from the 1970s onwards were also the result of an insecure PRI which was desperate to remain in power.

Mainstream literature has not completely overlooked the role of civil society in the Mexican transition to democracy. The 1980s witnessed a burgeoning literature on the role of social movements in response to the perceived failings of elite-led transitology and its focus on elite politics. This revisionist literature sought to emphasise the democratising potential of these movements.[169] For Joseph Klesner, the Mexican transition needs to take into account the development of a "combative" civil society in the transition process.[170] An emphasis on individual actors over collective action continues to dominate much of the scholarly studies on Mexico. The focus remains disproportionately at the elite level of politics: political parties (either in power or representative elites outside of political power), electoral processes and individual political actors. Such accounts continue to treat social movements and the labour movement in particular, as incidental to the transition. The principal focus continues to centre on the higher echelons of government, at the expense of highly significant protests from other ends of the political spectrum.

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[168] Ard, *op.cit.*, p.xvi.

[169] See for example Alvarez, Sonia E., *Engendering Democracy in Brazil: Women's Movements in Transition Politics*, Princeton: Princeton University Press, 1990; Eckstein, Susan (ed), *Power and Popular Protest: Latin American Social Movements*, 2nd ed., Berkeley: University of California, 1989; Foweraker, Joe and Ann L. Craig (eds), *Popular Movements and Political Change in Mexico*, Boulder: Lynne Rienner Publishers, 1992; Smith, Michael Peter (ed), *Breaking Chains: Social Movements and Collective Action*, New Brunswick: Transaction Publishers, 1991.

[170] Klesner, Joseph L., 'An Electoral Route to Democracy? Mexico's Transition in Comparative Perspective', *Comparative Politics*, Vol. 30, No. 4, July 1998, p.478.

As will be shown in the next chapter, the labour upsurge in the early to mid 1970s weakened the main institutional basis of the PRI – the key foundation of its success. By violently crushing the insurgency, the PRI state could no longer successfully pose as the champion of the Mexican worker. For the business sector, the worker insurgency signaled a decline in the PRI's ability to control its members; therefore, many lost confidence in the PRI and joined the PAN in protest. The bourgeoisie's entry into politics, therefore, was detrimental for the PRI. It was precisely this labour militancy that played a large role in Mexico's transition and has been overlooked as a result of trends in the social sciences. What remains to be shown is how labour played an instrumental role in the Mexican transition, adding to the political science literature by adopting a 'history from below' perspective. The following chapter will show that mass pressure from below came from the labour movement, especially in the crucial period 1968-1976.

CHAPTER 3: THE MEXICAN LABOUR MOVEMENT

INTRODUCTION

Contrary to elite-led transitology, worker mobilisation shattered any prospect of stability for the government between 1968 and 1976. Escalating disruption in workplace relations was dangerous for the PRI on a number of levels. Some of the most serious conflicts occurred in nationalised industries such as electricity, railways, telephones and steel. Worker mobilisation threatened to derail the industrialisation project and undermine the 'alliance for profits' which was consolidated after World War Two. The disturbances which occurred in these areas were not limited to the workplace – mobilisation spread to include a broader pro-democracy movement – the constant pressure of regular oppositional activity weakened the basis of PRI rule. Unremitting labour activity forced the government to change and initiate reform measures during the period known as the *insurgencia obrera*, or labour insurgency. Mexico's transition to democracy was pushed forward by the insurgency and its explosive tactics of confrontation. Labour's economic and political demands were subversive and as a result, it unleashed a violent response from the state which would not tolerate such a direct threat to its rule. Striking at the very basis of PRI rule, labour was responsible for defying the institutional parameters of state control and for destabilising the regime. This does not mean that the role of elites in the democratisation process should be completely disregarded. Rather, it seeks to rectify the imbalances in the framework adopted by elite-led transitology. Evidence which demonstrates the importance of labour serves to complement the mainstream approach and forces a readjustment of the analytical lens.

THEORETICAL IMPORTANCE OF LABOUR IN DEMOCRATISATION

In analysing the contribution of workers in transitions to democracy, elite-led transitology acknowledges a highly limited input, one which is short-term and secondary to analysing the elite level of politics.[1] Labour's contribution is partial and brief, restricted to a largely insignificant role as part of the 'resurrection of civil society'. For example, Adam Przeworski argues that the importance of union leaders during the transition can be found in

[1] Valenzuela, Samuel J., 'Labour Movements in Transitions to Democracy: A Framework for Analysis', *Comparative Politics*, Vol. 21, No. 4, July 1989, p.446.

their ability to discipline workers so they do not obstruct the implementation of reforms.[2] Essentially, Przeworski advocates moderate worker demands and a conservative approach in state-labour negotiations. As a direct challenge to some of the fundamental tenets of elite-led transitology, a substantial amount of literature emerged which provided empirical evidence in an attempt to redress its omissions. In particular, Ruth Berins Collier and James Mahoney argue that in Latin America, the role of labour during transitions has been overlooked in favour of analysing elite strategies. Their argument centres around the view that organised workers played a prominent role in the opposition to authoritarian regimes.[3] Workers were responsible for pushing the transition forward as a result of sustained protest.[4]

This revisionist literature on the significance of labour emphasises its unique position in civil society.[5] Elite-led transitology has disregarded the influence that labour has on authoritarian regimes. In Mexico, this omission is striking given the close relationship between the state and official labour unions. The sources of labour's unique position lie in its capacity for mobilisation, its existing organisational network and the relationship between labour demands and activity on the one hand, and production and macroeconomic performance and policy on the other.[6] Mexico is a clear example of the importance of labour during the transition. Labour's strategic role, as well as its strength, spearheaded some of the most important opposition movements in the 1970s. The nature of these movements placed the PRI on the defensive and contributed enormously to weakening the government's historical stranglehold over trade unions.

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[2] Przeworski, *op.cit.*, p.181.
[3] Berins Collier and Mahoney, 'Adding Collective Actors to Collective Outcomes', in Anderson, *op.cit.*, p.97.
[4] *ibid.*
[5] See for example Bellin, Eva, 'Contingent Democrats: Industrialists, Labour and Democratisation in Late-Developing Countries', *World Politics*, Vol. 52, January 2000; Adler, Glenn and Eddie Webster, 'Challenging Transition Theory: The Labour Movement, Radical Reform and Transition to Democracy in South Africa', *Politics and Society*, Vol. 23, No. 1, March 1995; Berins Collier, Ruth and David Collier, *Shaping the Political Arena: Critical Junctures, the Labour Movement and Regime Dynamics in Latin America*, Princeton: Princeton University Press, 1991; Collier, Ruth Berins, *Paths Toward Democracy: The Working Class and Elites in Western Europe and South America*, Cambridge: Cambridge University Press, 1999.
[6] Berins Collier, Ruth, *Paths Toward Democracy: The Working Class and Elites in Western Europe and South America*, Cambridge: Cambridge University Press, 1999, p.9.

THE 'MEXICAN MIRACLE' & THE METHODS USED TO CONTROL LABOUR

Throughout the 1940s and 1950s, the labour sector wielded the most political power of the three incorporated sectors within the PRI, owing to the critical role its constituents played in ISI.[7] Organised labour in Mexico has been described as one of the principal pillars of the regime because it facilitated the Mexican economic 'miracle'.[8] ISI provided the regime with economic space to accommodate labour's demands.[9] Economic growth also enabled the government to maintain the 'social wage', or non-wage benefits.[10] The social wage included access to health care, housing and basic commodities which were state-subsidised, as well as a nationally defined minimum wage.[11] In comparison to other sectors, organised labour enjoyed a privileged status.[12]

Workers also served to provide the PRI with a substantial political clientele.[13] Despite their subordination to the party line, official unions could place pressure on the PRI as a result of their involvement in party politics at both national and state levels.[14] This gave labour leaders considerable leverage in being able to withdraw political support for policies they regarded as detrimental to their organisations.[15] Co-optation through the provision of benefits was one of the various ways in which the state dealt with the inevitable conflict which erupted as result of social inequalities. Because of their critical importance to sustained and uninterrupted capitalist development, unionised workers were provided with material rewards as a way of containing discord.

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[7] Davis, Diane E., 'Social Movements in Mexico's Crisis', *Journal of International Affairs*, Vol. 43, No. 2, Winter 1990, p.346.
[8] Roxborough, Ian, 'The Economic Crisis and Mexican Labour', in Philip, George (ed), *The Mexican Economy*, London: Routledge, 1988, p.111.
[9] Bellin, Eva, 'Contingent Democrats: Industrialists, Labour and Democratisation in Late-Developing Countries', *World Politics*, Vol. 52, January 2000, p.200.
[10] Carr, Barry, 'The Mexican Economic Debacle and the Labour Movement: A New Era or More of the Same?' in Wyman, Donald L (ed)., *Mexico's Economic Crisis: Challenges and Opportunities*, Monograph Series 12, San Diego, University of California: Centre for U.S.-Mexican Studies, 1983, p.97.
[11] Middlebrook, Kevin, 'The Sounds of Silence: Organised Labour's Response to Economic Crisis in Mexico', *Journal of Latin American Studies*, Vol. 21, No. 2, May 1989, 202; Bellin, Eva, 'Contingent Democrats', *op.cit.*, p.198.
[12] Lorena Cook, María, 'Mexican State-Labour Relations and the Political Implications of Free Trade', *Latin American Perspectives*, Vol. 22, No. 1, Winter 1995, p.78.
[13] Roxborough, 'The Economic Crisis and Mexican Labour', in Philip, *The Mexican Economy*, *op.cit.*, p.111.
[14] Lorena Cook, 'Mexican State-Labour Relations and the Political Implications of Free Trade', *op.cit.*, p.78.
[15] *ibid.*

A variety of reinforcing measures were adopted in order to ensure that labour followed the capitalist model of development in the post World War II period. The installation of corrupt and pro-government union leaders was one of the most effective methods relied upon by the state. Known as *charrismo,* the term emerged as a description of the secretary general of the railroad workers' union, Jesús Díaz de León, known as *'El Charro'*, or cowboy. Díaz' policy of collusion with the government and repression within the union earned him the notorious epithet.[16] *Charrismo* is a form of trade union control which is characterised by the use of state repression to support a leadership, the systematic use of violence, violation of workers' union rights and collusion between the government, industrialists and union leaders.[17] In every decade beginning from the late 1940s, workplace conflict was characterised by demands for the removal of corrupt and inept leaderships in several industries. This presented a massive threat to the stability of the regime, as maintaining *charrismo* was central to upholding the regime's iron grip over labour.

Although *charrismo* was vital for the government's supervision of the workplace, it also relied on an array of legal means to prevent the emergence of independent unionism. Enacted in 1931, the Federal Labour Law, or the *Ley de Trabajo* (LFT) regulated labour law throughout Mexico – it ensured that labour disputes were mediated by government-appointed tribunals and arbitration boards at federal, state and local levels.[18] Government boards of conciliation and arbitration *(juntas de conciliación y arbitraje)* were responsible for the adjudication of conflict between labour and management.[19] Because bargaining procedures were mediated by the state, there was a decline in strikes from 887 in 1944 to 16 in 1953.[20] Complex legal procedures for declaring a strike and its legality also restricted the ability of unions to function autonomously. The PRI was involved in every level of workplace relations – its extensive reach was designed to maintain a lid on any grievances, but the lid could not be kept shut indefinitely.

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[16] Delarbe, Raul Trejo and Anibal Yanez, 'The Mexican Labour Movement: 1917-1975', *Latin American Perspectives*, Vol. 3, No. 1, Winter 1976, p.146.
[17] *ibid.*
[18] Singh, Parbudyal and Harish C. Jain, 'Striker Replacements in the United States, Canada and Mexico: A Review of the Law and Empirical Research', *Industrial Relations*, Vol. 40, No. 1, January 2001, p.33.
[19] Troncoso, Poblete Moisés and Ben G. Burnett, *The Rise of the Latin American Labour Movement*, New York: Bookman Associates, 1960, p.104.
[20] *ibid.*

UNCONTROLLED MOBILISATION: THE PRI'S WORST FEAR

The fear of autonomous labour movements plagued the PRI even during the years when it enjoyed overwhelming majorities at the polls. Such worries were not unfounded – dissent which went beyond the institutional parameters set by the state was, by its very nature, subversive. Pre-emptive mobilisation served as a safety valve through which to channel demands. It was integral to the stability of the regime because it ensured that when conflicts did arise, they were guided, directed and ultimately mediated under the watchful eye of the state. In fact, pre-emptive mobilisation was seen as a way of boosting the PRI's 'democratic' credentials. The impact of labour unrest on the state was intense due to the strategic position of organised labour in the PRI state. A clear example of the PRI's fear of independent labour activism can be found in two major incidents: the 1948 and the 1958-9 railroad workers' disputes. The latter conflict in particular, was one of the foremost challenges faced by the state against official trade unionism prior to the 1970s.

Mexico has a history of reform movements within the official union movement and intense episodes of militant unionism and as such, the 1976 labour insurgency was part of a long build up of accumulated grievances. Reform movements and attempts to breakaway from the *charro*-dominated national unions in the late 1940s signaled worker frustrations with the autocratic nature of union politics. The anti-communism of the Cold War years made it particularly difficult to mount a successful challenge to the PRI's firm control of the CTM. Nevertheless, worker disturbances during these years rocked the carefully crafted stability of the PRI regime.

In 1947, a radical contingent in the CTM led by railway leader Luís Gómez Z, sought to challenge the dominant faction in a battle over the secretary generalship.[21] After the faction backed by the government won, the radical unionists led by Gómez, founded a dissident anti-CTM organisation, the Unitary Workers' Confederation (*Confederación Única de Trabajadores* – CUT) in March 1947.[22] Mexico's three largest industrial unions – railways, oil and mining – also left the CTM and joined the CUT. Together, these opposition labour unions formed the Coalition of Worker and Peasant Organisations (*Coalición de*

[21] Smith, 'Mexico since 1946', in Bethell, *The Cambridge History of Latin America*, Vol. 7, *op.cit.*, p.103.
[22] *ibid.*

Organizaciones Obreras y Campesinas) in mid-1948.[23] This represented a combined membership which rivaled that of the CTM.[24]

Other leftist organisations sprung up, adding to the PRI's list of worries. Labour leader Vicente Lombardo Toledano founded a progressive opposition party, the PPS in 1948. Another group of unions followed him out of the CTM and under his leadership founded the General Union of Mexican Workers and Peasants *(Unión General de Obreros y Campesinos de México* – UGOCM) which was to act as the labour wing of the PPS.[25] The attempt to link labour with party opposition however, was stillborn – the PPS had limited support, the UGOCM was met with constant harassment by the government and numerous defections and the former was also weakened by the *charrazos* of the late 1940s and early 1950s.[26] Thus, the government killed off potential CTM rivals at an early stage, before alliances could be formed.

Despite government harassment, the CUT directly challenged both the CTM and President Miguel Alemán's (1946-1952) conservative labour and economic development policies.[27] The CUT led massive protests against the government's anti-strike legislation and demanded a general wage increase to compensate for the inflationary effects of the July 1948 devaluation of the peso at a time when the CTM leadership supported the government's economic program by avoiding strikes and wage demands.[28] The government therefore, immediately took action to suppress an emerging organisation which could unseat the CTM and therefore, the PRI's monopoly over the workplace.

President Alemán acted forcefully to disband the Coalition of Worker and Peasant Organisations and his first target was the principal actor in the labour opposition, the Mexican Railroad Workers' Union *(Sindicato de Trabajadores Ferrocarrileros de la*

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[23] Middlebrook, Kevin J., 'State-Labour Relations in Mexico: The Changing Economic and Political Context', in Middlebrook, Kevin J (ed)., *Unions, Workers, and the State in Mexico*, San Diego, University of California: Centre for U.S.-Mexican Studies, 1991, p.7.
[24] *ibid.*
[25] Berins Collier, Ruth, *The Contradictory Alliance: State-Labour Relations and Regime Change in Mexico*, Berkeley: University of California, 1992, p.34.
[26] Carr, Barry, 'Labour and the Political Left in Mexico', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.128.
[27] Middlebrook, 'State-Labour Relations in Mexico', in Middlebrook, *Unions, Workers, and the State in Mexico, op.cit.*, p.7.
[28] *ibid.*

República Mexicana – STFRM).[29] When Gomez Z. resigned his position in the railway union to work full time in the CUT, he was replaced by the infamous *'El Charro'*, Jesús Díaz de León.[30] With the government's backing, Díaz led a leftist purge of the STFRM in September 1948. Police occupied union buildings, thousands of workers were fired and the union became an unconditional supporter of the PRI's economic policies.[31] This event spelled the end of the CUT challenge to the government – over the next four years, the radical leaderships of the oil, mining and telephone workers' unions were overthrown and conservative leaderships *(charros)* installed.[32] By 1952, the Alemán government had defeated the most important labour opposition movement in Mexican history.[33]

Throughout the 1950s, dissident sections of Mexican unions initiated a number of attempts to wrest the CTM's dominant position away from it.[34] In 1952, several non-CTM forces were unified in the Revolutionary Confederation of Workers and Peasants *(Confederación Revolucionaria de Obreros y Campesinas* – CROC), an organisation which was affiliated to the PRI.[35] The government allowed the CROC to function because it served as a counterweight to the CTM. This was a typical strategy – the government permitted the existence of such organisations as long as it could control and monitor their activities and make sure they followed the PRI line. Other movements, however, proved much more difficult to contain.

Worker dissatisfaction with wage levels led to the emergence of a rank-and-file leader in the powerful STFRM, Demetrijo Vallejo, in July 1958. Vallejo negotiated a wage increase and as a result, he was elected by rail workers to head the STFRM with his supporters. However, the Secretary of Labour refused to recognise Vallejo's leadership, and new strikes were called. The most worrying feature of the movement was the public support which Vallejo received from striking electrical workers, the Mexican Electrical Workers'

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[29] *ibid.*
[30] Roxborough, Ian, 'Urban Labour Movements in Latin America since 1930', in Bethell, Leslie (ed), *Latin America: Politics and Society Since 1930*, Cambridge: Cambridge University Press, 1998, p.244.
[31] *ibid.*, p.245.
[32] *ibid.*
[33] Middlebrook, 'State-Labour Relations in Mexico', in Middlebrook, *Unions, Workers, and the State in Mexico*, *op.cit.*, p.7.
[34] Roxborough, Ian, *Unions and Politics in Mexico: The Case of the Automobile Industry*, Cambridge: Cambridge University Press, 1984, p.24.
[35] *ibid.*

Union (*Sindicato Mexicano de Electricistas* – SME) and insurgent sectors of the petroleum workers and the national teachers union.[36] Even more troubling for the government was that the strike had a double purpose – it not only sought higher wages, but directly challenged the state-controlled union structure.[37] The state's response was to send police and soldiers to raid union halls, while Vallejo escaped to Mexico City where he called a work stoppage that became nationwide within hours. In August, union elections were held and despite *charro* efforts to buy votes, Vallejo won control of the union. When Vallejo called for new strikes in early 1959, President Adolfo López Mateos (1958-64) sent in the army to raid union halls and to arrest all union leaders, including Vallejo. Several were killed, and 10,000 rail workers were arrested, along with supporting petroleum workers, teachers and students.[38]

The impact of the railway strikes was tremendous – it constituted a serious threat to PRI rule as it challenged *charrismo* which the government relied on to control the work force. Even more significantly, dissent had been nationwide. Important strikes took place among the telegraph workers, kindergarten and elementary teachers and oil workers.[39] In each case, wage demands led to a rejection of union leadership which was seen as co-opted, unrepresentative and unwilling to defend the interests of workers.[40] A major element in these strikes was the demand for democratically elected, independent leadership.[41] It also demonstrated that the government would not tolerate independent unionism. Despite brutally repressive measures, the militant sectors of Mexican unionism remained active throughout the 1960s.[42] The electrical workers continued their tradition of being a stronghold for industrial militants and together with the CROC, they formed the National Labour Central *(Central Nacional de Trabajadores* – CNT). The CROC proclaimed the principle of independent unionism, even though it was affiliated with the PRI.[43] This was a

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[36] The above account is from Hathaway, Dale, 'Mexico's *Frente Auténtico del Trabajo*: Organising Beyond the PRI and Across Borders', Paper presented at the Latin American Studies Association, Guadalajara, Mexico, April 17-19, 1997, p.5. Accessed 15 July, 2007. http://bibliotecavirtual.clacso.org.ar/ar/libros/lasa97/hathaway.pdf.

[37] Handelman, Howard, 'The Politics of Labour Protest in Mexico: Two Case Studies', *Journal of Interamerican Studies and World Affairs*, Vol. 18, No. 3, August 1976, p.275.

[38] The above account is from Hathaway, 'Mexico's *Frente Auténtico del Trabajo'*, *op.cit.*, p.6.

[39] Berins Collier, *The Contradictory Alliance, op.cit.*, p.58.

[40] *ibid.*

[41] *ibid.*

[42] Roxborough, *op.cit.*, p.25.

[43] Berins Collier, *The Contradictory Alliance, op.cit.*, p.57.

peculiarly Mexican phenomenon – unions with radical members were often affiliated with the PRI while remaining outside of the CTM. The government allowed the more progressive sectors to function as long as they played according to the rules of the game and did not go too far in their opposition to the regime. Reform-oriented labour organisations often served other purposes – they were used by various administrations as a way of countering the strength of national unions which sought genuine autonomy. A common tactic was to back the pro-government labour organisation so that it could defeat the more radical unions which posed a threat to PRI domination. In return for government support, union leaders not only received official posts and material benefits but they were expected to keep their union members in line by maintaining labour docility in the workplace and supporting the state's economic policies.

In the mid-1960s, there was a slow re-emergence of democratic struggles, including strike movements carried out by doctors and bus drivers in Mexico City.[44] The government used a combination of co-optation and repression to quell these instances of dissent. Worker attempts to create an autonomous confederation was pre-empted in 1966 by the government's establishment of the Congress of Labour *(Congreso del Trabajo* – CT) which replaced the CNT. As a loosely organised umbrella group, the CT was technically independent but in fact composed of labour groups with an allegiance to the PRI and dominated by the CTM.[45] Close supervision of potential rival organisations had a practical effect – by allowing and even facilitating reformist elements, the government co-opted the moderate elements while they officially remained under the wing of the PRI. The political structure of the system was not designed to cope with independent opposition; rather, it was created in order to contain demands so as to prevent the danger of autonomous struggle. While it could place a lid on sector alliances from occurring in this instance, the period between 1968 and 1976 proved to be a period when the PRI could no longer maintain such a tight leash on the unions.

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[44] Carr, 'Labour and the Political Left in Mexico', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.135.

[45] Anderson, Rodney, 'Mexico', in Greenfield, Gerald Michael and Sheldon L. Maram (eds), *Latin American Labour Organisations*, New York: Greenwood Press, 1987, p.529.

SOCIAL DISSENT: LAYING THE GROUNDWORK FOR LABOUR INSURGENCY

By the late 1960s, the state was besieged on a number of fronts. It was facing a series of social and political upheavals which were steadily chipping away at its foundational strength. These included land invasions in the countryside undertaken by peasants, right and left-wing guerrilla activity, student protests, the proliferation of opposition movements and parties and most importantly, the labour insurgency.[46] Even more worrying for the PRI was the growth of independent unionism which in its many forms, presented the most serious instance of mobilisation. The legitimacy of the PRI was severely undermined and the very foundations of its rule began to unravel following the Tlatelolco massacre in 1968. It dealt a shattering and demoralising blow to the labour movement – the brutal slaughter of hundreds of Mexicans meant that the state could no longer present itself as the champion of the worker. The CTM and official union bureaucracy however, responded to the 1968 pro-democracy movement by backing the government, while some sectors of the organised labour movement showed significant support for the students.[47] Profound social polarisation highlighted the unstable basis of the PRI's assiduously crafted consensus.

In an attempt to recover the PRI's faltering legitimacy, President Echeverría's democratic opening *(apertura democrática)* in the early 1970s sought to facilitate the emergence of independent labour organisations. The democratic opening encouraged free dialogue, political criticism and freedom of expression within certain limits.[48] The purpose behind this strategy was to neutralise the moderate opposition elements by instituting liberal reform measures. For the first few years of Echeverría's *sexenio*, the independent labour movement was met with a certain tolerance.[49] By the end of the decade, more than 100 independent unions were organised.[50] Attempting to defuse the political demands made

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[46] Berins Collier and Collier, *Shaping the Political Arena, op.cit.*, pps.587-588.
[47] Carr, 'Labour and the Political Left in Mexico', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.135.
[48] Reyna, Jose Luis, 'Redefining the Authoritarian Regime', in Reyna, Jose Luis and Richard S. Weinert (eds), *Authoritarianism in Mexico*, Philadelphia: The Institute for the Study of Human Issues, 1977, p.165.
[49] Perez Arcé, Francisco, 'The Enduring Union Struggle for Legality and Democracy', in Foweraker, Joe and Ann L. Craig (eds), *Popular Movements and Political Change in Mexico*, Boulder: Lynne Rienner Publishers, 1992, p.111.
[50] Goldin, Amy, 'Collective Bargaining in Mexico: Stifled by the Lack of Democracy in Trade Unions', *Comparative Labour Law Journal*, Vol. 11, No. 182, 1989-1990, p. 210.

after Tlatelolco, however, did not succeed in the labour sector.[51] The most significant aspect which emerged out of the political liberalisation was a stronger and more militant independent labour movement.

The policies of the developmental state were responsible for the increase in size and strength of the working class. By 1982, over 5.3 million workers were members of labour unions – 26 per cent of the economically active population.[52] Industrialisation also shifted the balance of class forces. The CNC had been an important organisation in the PRI, however, by the early 1970s, it was considerably less so than the CTM. Agriculture had been in decline since the early 1960s due to the lack of agrarian reform and the government's preference for industry as the basis for development. The transformation of the economy into a largely industrial one also entailed drastic changes in the composition of the labour market. Between 1940 and 1970, agriculture's contribution to total production decreased from 21 per cent to 11 per cent, while industry's contribution increased from 25 per cent to 34 per cent.[53] Whereas two-thirds of the labour force was employed in agriculture in 1940, the figure decreased to one-third by 1970.[54] The 1958-59 railroad dispute and the 1968 democratic movement destroyed the myth of undisputed PRI hegemony and contributed to a dramatic weakening of the party's hold over its sectors, especially labour. More than any other time in the history of the PRI state, workers were in a position to destabilise the regime and its authoritarian structure.

THE LABOUR INSURGENCY AND THE STRUGGLE FOR INDEPENDENCE

i) THE WORKERS' OFFENSIVE: A NEW CHAPTER IN THE MEXICAN LABOUR MOVEMENT

The intensification of worker struggles and an increase in labour combativeness spelled serious trouble for the PRI. Between 1968 and 1976, the *insurgencia obrera* (labour insurgency) emerged in a number of strategic sectors. It drew considerable strength from

[51] Reyna, 'Redefining the Authoritarian Regime', in Reyna and Weinert, *op.cit.*, p.165.
[52] Carr, 'The Mexican Economic Debacle and the Labour Movement' in Wyman, *op.cit.*, p.91.
[53] Levy and Székely, *op.cit.*, p.127.
[54] *ibid.*

the most influential organisations in the automobile, steel, metalworking and electrical products industries.[55] There were movements which led to union democratisation, internal reform within official confederations such as the CTM, or the breakaway of unions from official confederations. The *insurgencia* was not the result of a coordinated movement with a single political and industrial project – rather, it incorporated a multitude of labour actions, both in older national industrial unions and labour confederations and in many enterprise-level unions and newly created unions.[56] Across industries, workers went on strike demanding democratisation of the workplace, shorter work hours, and improved safety and working conditions.[57] Within unions, the movement for independence commonly started with economic demands and broadened as the existing union leadership came to be seen as an obstacle.[58] In this way, it came to take on the dimensions of rejecting the existing union structure and advocating a more militant, representative and democratic form of unionism.[59]

The worker insurgency extended the boundaries of trade union democracy and autonomy in national unions as well as in hundreds of plant unions throughout the country.[60] What distinguished the labour insurgency of the 1970s from earlier periods was that it focused on widespread issues, rather than just those related to individual workplaces. Compared to previous conflicts, the magnitude of the insurgency presented a more formidable threat to the state because it resulted in sector-wide support and alliances – students and leftist parties also joined blue and white-collar workers in solidarity. After 1968, the PRI was not only faced with a loss of legitimacy but a populace which had become increasingly politicised after the Tlatelolco massacre. During this period, protest was not an isolated incident – the widespread upheaval exemplified the pervasive disaffection with official union politics and more broadly, with Mexico's authoritarian political system.

The most dangerous aspect of the insurgency for the PRI was the fact that the independent movement was centred on strategically important national industries which employed

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[55] Middlebrook, *The Paradox of Revolution, op.cit.*, p.223.
[56] Carr, 'Labour and the Political Left in Mexico', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.136.
[57] Hathaway, 'Mexico's *Frente Auténtico del Trabajo*', *op.cit.*, p.12.
[58] Berins Collier and Collier, *Shaping the Political Arena, op.cit*, p.602.
[59] *ibid.*
[60] Carr, 'The Mexican Economic Debacle and the Labour Movement' in Wyman, *op.cit.*, p.92.

workers with substantial skills and technical qualifications, such as electrical and telephone workers as well as teachers.[61] Labour insurgency during the 1970s was not restricted to a single union, or even a handful of unions. Almost every industry was hit by strikes including construction, textiles, automobiles, metals, machinery, transport, metallurgical-mining, electrical, rails and chemical-pharmaceutical.[62] University students, bank employees and doctors also went on strike.[63] Between 1970 and 1976, the percentage of total strike actions motivated by democratic principles rose from 14 to 53 per cent in 1975.[64] The level of state violence used against workers directly corresponded to the intensity of the democratic struggle – the percentage of democratic labour conflicts involving physical violence increased from 14.3 per cent in 1970 to 22.9 per cent in 1976.[65] Between 1973 and 1977, Mexico experienced about 3,600 strikes and labour conflicts involving between 1 and 2 million workers.[66]

Worker mobilisation was widespread and reflected a generalised discontent with the nature of PRI rule, as well as its economic policies. These included the failures and shortcomings of the government's economic policies, its exclusionary and authoritarian politics and the social inequalities generated by skewed development programs. Rising inflation led to an increase in strike frequency and towards greater pressure on leaderships to pursue an aggressive line in contract renegotiations.[67] The establishment of salary limits led to increased demand for salary hikes.[68] Workers were placing increased pressure on labour leaders to secure more effectively their interests – their activism placed enormous strain on the PRI.

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[61] *ibid.*, p.93.
[62] Cockcroft, *op.cit.*, p.249.
[63] *ibid.*
[64] de la Garza Toledo, Enrique, 'Independent Trade Unionism in Mexico: Past Developments and Future Perspectives', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.160.
[65] *ibid.*
[66] Cockcroft, *op.cit.*, p.249.
[67] Roxborough, 'The Economic Crisis and Mexican Labour', in Philip, *The Mexican Economy, op.cit.*, p.116.
[68] Zapata, Francisco, 'Labour and Politics: The Mexican Paradox', in Epstein, Edward C (ed)., *Labour Autonomy and the State in Latin America*, Boston: Unwin Hyman, 1989, p.184.

ii) DEFYING THE STATE: THE ELECTRICAL WORKERS

Spearheading the labour insurgency were the unions representing electrical workers. Their credentials stemmed from a militant history, with the SME being the oldest democratic union in Mexico.[69] Three unions operated in different jurisdictions. The SME was largely confined to the Federal District (Mexico City), the Union of Electrical Workers of the Mexican Republic (*Sindicato de Trabajadores Electricistas de la República Mexicana* – STERM) represented workers outside the capital and the Electrical Workers Unions (*Sindicato Nacional de Electricistas Federales* – SNE) represented workers in plants built or acquired by the Federal Electric Commission after 1937.[70] Throughout the 1960s, STERM had a membership of 7000, with major local affiliates in Guadalajara, Puebla and Vera Cruz, while SME had 21,000 members.[71] The SNE was the most conservative, its political stance was pro-government and its internal structure remained unchanged with the same *charro* leadership of Francisco Pérez Ríos for 32 years who used his position to amass a large personal fortune.[72] It was also the only one of the three unions affiliated with the CTM, with a membership of 30,000.[73] By the early 1970s, STERM, with 9,000 members, was by far the most radical – it sought independence from the CTM, was Marxist oriented and supported the left-wing of the PRI.[74]

Preparations for protest action began on 16 October 1971, after the Federal Board of Arbitration and Conciliation withdrew legal recognition of the STERM in representing electrical workers outside of the Federal District. Instead, it recognised the pro-government SNE, seeking to replace the combative STERM. In order to oppose this decision, STERM planned a series of monthly 'marches for union democracy' designed to elicit public support and thereby pressure the government into reversing the decision of the Board of Arbitration. On 14 December, 1971 the first of these demonstrations was held in Acapulco

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[69] Lorena Cook, 'Mexican State-Labour Relations and the Political Implications of Free Trade', *op.cit.*, p.85.
[70] Handelman, 'The Politics of Labour Protest in Mexico', *op.cit.*, p.281.
[71] *ibid;* Handelman, Howard, 'Oligarchy and Democracy in Two Mexican Labour Unions: A Test of Representation Theory', *Industrial and Labour Relations Review*, Vol. 30, No. 2, January 1977, p.207.
[72] Handelman, 'The Politics of Labour Protest in Mexico', *op.cit.*, p.283.
[73] Brennan, James P., 'Industrial Sectors and Union Politics in Latin American Labour Movements: Light and Power Workers in Argentina and Mexico', *Latin American Research Review*, Vol. 30, No. 1, 1995, p.60.
[74] Handelman, 'Oligarchy and Democracy in Two Mexican Labour Unions', *op.cit.*, p.208; Handelman, 'The Politics of Labour Protest in Mexico', *op.cit.*, p.283.

and in other cities throughout the nation.[75] The 'marches for union democracy' signaled the beginning of the worker insurgency – between December 1971 and July 1972, marches occurred in 50 localities throughout Mexico.[76] Headed by STERM and supported by student groups and petroleum workers, it is estimated that over 100,000 people participated in these demonstrations. They provided the initial driving force behind the labour insurgency – these protests not only sought to protect workers' rights, but they also began a nationwide movement against *charrismo* in other unions.[77] Challenging *charrismo* meant challenging the state – it went right to the heart of corporatist control.

The most disturbing features of these protests for the PRI were the cross-sector alliance with dissident factions in the petroleum, teachers, steel and university custodial unions.[78] Along with radical university students, these groups participated in many of STERM's mass demonstrations. In September 1972, STERM merged with SNE and became a national union, General Union of Mexican Electrical Workers *(Sindicato Unica de Trabajadores Electricistas de la República de México* - SUTERM). Despite this mobilisation and outreach, the leadership and rank-and-file members of STERM felt they had to accept a merger with the SNE which was proposed by President Echeverría.[79] In order to placate the rebellious STERM, it was given half of the representation.[80] Although the outcome suited the government, it was not enough to dampen the deep-seated grievances which had been expressed by workers during the marches. The STERM dispute was merely the tip of the iceberg – soon, the PRI was facing a ground-swell of opposition which it could not control.

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[75] The above account is from Handelman, 'The Politics of Labour Protest in Mexico', *op.cit.*, p.285.
[76] Delarbe and Yanez, 'The Mexican Labour Movement', *op.cit.*, p.150.
[77] The above account is from Handelman, 'The Politics of Labour Protest in Mexico', *op.cit.*, p.286.
[78] *ibid.*
[79] La Botz, Dan, *Mask of Democracy: Labour Suppression in Mexico Today*, Boston: South End Press, 1992, p.72.
[80] Brennan, 'Industrial Sectors and Union Politics in Latin American Labour Movements', *op.cit.*, p.61.

iii) DEMOCRATIC TENDENCY (TD)

Unity within the SUTERM was short-lived, as an independent faction pushed for greater militancy and internal democracy.[81] The *charro*, Pérez Ríos, moved to undercut the ex-STERM unions and a result, he clashed repeatedly with the militant wing of SUTERM led by Rafael Galván.[82] The strike began when in June 1974, a collective bargaining agreement was negotiated and signed by Pérez Ríos over the heads of the rank-and-file.[83] Workers went on strike and voted to remove the old union leadership.[84] Galván supported the strikers and management retaliated by calling for an unrepresentative convention of SUTERM – at that convention, SUTERM voted to expel Galván and the independent faction from the executive board of the union; hundreds of workers were also fired.[85]

Galván and his followers however, were not deterred – in February 1975, they founded the Democratic Tendency (*Tendencia Democrática* – TD). The TD program called for autonomy, nationalising transnational corporations, abolishing *charrismo* and incorporating other independent unions and workers' commissions into a broad coalition known as the Revolutionary Union Movement *(Movimiento Sindical Revolucionario* – MSR).[86] The TD was important as it became the major focal point of the independent workers' movement during this period.[87] The challenge presented by the power workers was the most formidable faced by the PRI. They had strategic powers unmatched by any other industry, as well as considerable organisational strength with the highest rate of union affiliation in Mexico – 97 per cent of power workers were union members in 1975.[88] Moreover, it also experienced extraordinary levels of rank-and-file participation in union affairs.[89] The union's history of independence and its fiercely critical stance on government economic policy also made the power workers' leaders in the opposition movement.[90]

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[81] Davis, Charles L., *Working Class Mobilisation and Political Control: Venezuela and Mexico*, Lexington: University Press of Kentucky, 1989, p.79.
[82] Anderson, 'Mexico', in Greenfield and Maram, *op.cit.,* p.544.
[83] La Botz, Dan, *The Crisis of Mexican Labour*, New York: Praeger, 1988, p.137.
[84] *ibid.*
[85] La Botz, Dan, *Mask of Democracy: Labour Suppression in Mexico Today*, Boston: South End Press, 1992, p.73.
[86] Cockcroft, *op.cit.*, p.250.
[87] Carr, 'The Mexican Economic Debacle and the Labour Movement' in Wyman, *op.cit.,* p.93.
[88] Brennan, 'Industrial Sectors and Union Politics in Latin American Labour Movements', *op.cit.,* p.62.
[89] *ibid.*
[90] *ibid.*, p.63.

Mobilisation of support for the TD kicked off with strength. A meeting and demonstration of 20,000 workers was organised in Guadalajara on April 5, 1975. The Declaration of Guadalajara was issued, demanding greater benefits and privileges for electricians, but more significantly for the government, it also called for a fundamental reallocation of wealth and political power.[91] The Declaration not only called for union democracy but it also outlined a broad social program to fight for the original goals of the Mexican revolution.[92] Specifically, the Declaration called for the nationalisation of strategic industries, the restructuring of existing state-owned enterprises and increased state economic intervention under worker supervision and the creation of sectoral and national industrial unions.[93] Moreover, wide-ranging demands for the democratisation of all unions, collectivisation of agriculture, expropriation of foreign firms and increased worker participation in public planning, were highly disconcerting for the PRI.[94] The TD organised numerous demonstrations around the country throughout the spring and summer of 1975.[95]

In one of the most tremendous displays of solidarity, demonstrations on November 15 1975 in Mexico City, turned out an estimated 250,000 supporters of TD. These included other electricians, railroad workers, telephone workers, university employees, representatives of independent unions and caucuses, militants from the left political parties, members of the CNC and representatives of independent peasant organisations from 12 states.[96] This was the largest protest march since 1968 and the most important show of labour strength since the 1959 rail strike.[97] A series of demonstrations followed on November 28, 1975 across Mexico in support of TD.[98] In a number of cities, TD demonstrators were attacked by CTM thugs armed with clubs and other weapons.[99] Despite the government's use of violence to quell widespread resistance, the labour insurgency continued to gather force and

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[91] Davis, *op.cit.*, p.79.
[92] La Botz, *Mask of Democracy, op.cit.*, p.73.
[93] de la Garza Toledo, 'Independent Trade Unionism in Mexico', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.173.
[94] Davis, *op.cit.*, p.79.
[95] La Botz, *Mask of Democracy, op.cit.*, p.73.
[96] The above account is from Davis, *op.cit.*, p.79.
[97] Cockcroft, *Mexico, op.cit.*, p.250.
[98] La Botz, *The Crisis of Mexican Labour, op.cit.*, p.138.
[99] *ibid.*

momentum. On March 20, 1976, TD called for a further demonstration in Mexico City in which 100,000 people participated.[100]

The working class insurgency was only part of a broader popular insurgency.[101] Militancy spread to more unions and into the ranks of students, urban squatters and peasants.[102] In an attempt to broaden the movement, TD organised the National Front of Popular Action *(Frente Nacional Acción Popular* – FNAP), which was launched on May 14, 1976 at the National Conference of Labour, Peasant and Mass Insurgency *(Conferencia Nacional de Insurgencia Obrera, Campesina y Popular)* – more than 300 unions, peasant organisations and community and student groups formed the FNAP.[103] This attempt at unifying different sectors of the population represented a more serious threat to the state than did the student-led mass mobilisations of 1968, because now industrial workers were in the forefront.[104]

Testing President Echeverría's reformist rhetoric, the electrical workers called for a nationwide strike.[105] Galván and the TD called for a reinstatement of the fired SUTERM workers and for new democratic elections in SUTERM. President Echeverría called for dialogue between SUTERM and the TD and Galván agreed to postpone the strike until 16 July 1976. The dialogues were unsuccessful and the strike was called. Before the strike was launched, however, the government mounted a massive attack against the TD on the morning of 16 July.[106] The army invaded and violently occupied all major electrical installations, both public and private, to forcibly break the strike and hundreds of workers were fired.[107] With this single action, the movement was crushed. The TD was suppressed by both the extralegal and legal means available to the Mexican state.[108] The Attorney General of Mexico later reached an agreement for all fired workers to return to work, but the agreement was not honoured in many places – in some cities, returning workers were met by CTM goon squads and forced to renounce the TD before they were allowed to start

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[100] *ibid.*, p.130.
[101] Perez Arcé, 'The Enduring Union Struggle for Legality and Democracy', in Foweraker and Craig, *op.cit.*, p.113.
[102] Cockcroft, *op.cit.*, p.250.
[103] La Botz, *The Crisis of Mexican Labour, op.cit.*, p.139.
[104] Cockcroft, *op.cit.*, p.250.
[105] *ibid.*
[106] The above account is from La Botz, *Mask of Democracy, op.cit.*, pps.73-74.
[107] Cockcroft, *op.cit.*, p.250.
[108] Davis, *op.cit.*, p.80.

their shifts.[109] Its leadership was defeated and this signaled the end of rank-and-file militancy and a certain recovery of the position of the official union leadership.[110] The TD was formally dissolved on 12 November, 1977 and the remaining members joined the MSR – it drew support primarily from nuclear workers, as well as sectors of university and electrical workers but the MSR did not gain the level of support or importance that the TD was able to achieve.

TD's impact and its pressure tactics cannot be underestimated. Demands made for radical change and the overthrow of the entrenched, corrupt union leadership dealt a severe blow to the already tenuous legitimacy of the PRI. Once TD surpassed the limits set by the PRI, it was violently contained. It had undermined one of the central pillars of PRI rule by operating outside the electoral arena and using demonstrations to express its opposition.[111] It reached the limit of government tolerance when it sought to expand into a broad-based movement unifying disparate elements of the lower class and the progressive elements of the middle class.[112] The Democratic Tendency dealt a heavy blow to the PRI state and its mechanisms of control by illustrating that the government was not invulnerable to attack – it was the most visible expression of a broad-ranging movement which threatened to break up the institutionalisation of *charrismo* and it served as a rallying point for a much larger movement for political opening in Mexico.[113]

iv) FAT: ORGANISING RESISTANCE THROUGHOUT INDUSTRIES

One of the most significant actors in the independent union movement was the Authentic Labour Front (*Frente Auténtico Del Trabajo* – FAT). Formed in 1960, this organisation was unique in the context of government-labour relations because of its autonomy and its commitment to union democracy. It is a federation of independent unions and cooperatives,

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[109] La Botz, *Mask of Democracy, op.cit.*, p.74.
[110] Roxborough, 'The Economic Crisis and Mexican Labour', in Philip, *The Mexican Economy, op.cit.*, p.116.
[111] Davis, *op.cit.*, p.80.
[112] *ibid.*
[113] Roxborough, 'Urban Labour Movements in Latin America since 1930', in Bethell, *Latin America, op.cit.*, p.273.

comprising 50,000 members.[114] FAT's activities were visible, as it was also involved in several industrial disputes in the late 1960s and mid-1970s.

The most noteworthy dispute occurred at the Spicer autoparts factory in the state of Mexico in the summer of 1975. Spicer was Mexican-owned with three US nationals on its board of directors.[115] This industrial action was representative of the grievances which were expressed during the labour insurgency. The Spicer dispute was also significant because it garnered a large amount of support. The main grievance which workers had was the lack of union independence and the authoritarian tactics and stranglehold of the *charros*. In protest, workers sought to make an alliance with the FAT's first nation-wide union, the National Independent Union of Workers of the Iron and Steel Industry (*Sindicato Independiente Nacional de Trabajadores de la Industria de Hierro y Acero* – SINTIHA).[116] A strike began which lasted for 121 days. Throughout this time, workers staged marches, and gathered political and material support from 120 organisations throughout the country, from students and from people in the streets.[117] On August 5, 1975, FAT organised a protest march of 5,000 in its strongest centres in León, Irapuato and Salamanca – in order to support the strikers, FAT created the Popular Workers' Front of Solidarity and raised funds.[118]

As a result of the broad support, the government was forced to reach a partial settlement of the strike after 39 days. However, when workers returned to the plant, Spicer fired 150 of the 800 workers. A work stoppage led to a lockout and occupation of the factory by government forces and hired workers. Eventually, workers were given the option to receive a buy out or to return to work without the FAT union. Although the government eventually gained the upper hand, it was facing dissent and worker unrest on several fronts. The FAT's success in organising independent unions had not gone unnoticed by the PRI which was alarmed at the FAT's success in organising automobile workers.[119] By 1970, there were 27,659 workers in the auto plants, most of which were located in central Mexico. The

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[114] Alexander, Robin and Peter Gilmore, 'Official and Independent Unions Angle for Power in Mexico', *NACLA Report on the Americas*, Vol. 28, No. 1, July-August 1994, pps.1-2.
[115] Hathaway, 'Mexico's *Frente Auténtico del Trabajo*', *op.cit.*, p.18.
[116] *ibid.*
[117] *ibid.*, p.19.
[118] La Botz, *The Crisis of Mexican Labour, op.cit.*, p.130.
[119] The above account is from Hathaway, 'Mexico's *Frente Auténtico del Trabajo*', *op.cit.*, p.19.

centre of reform movements was in the Nissan plant in Cuernavaca, Morelos where the FAT had been involved. The executive committee consisted of outsiders imposed by CTM labour bureaucrats. In reaction to this, workers rebelled in November 1971 and in union elections, 98 per cent voted for the rank-and-file leader Raymundo Jaimes.[120]

The activities of FAT were considered such a threat that President Echeverría created the Independent Workers Union (*Unión Obrera Independiente* – UOI) as a counterattack measure.[121] Unions at DINA, GM and NISSAN broke with the CTM in 1973 and affiliated with the UOI – in less than a decade, UOI gained control over four big autoworker unions and 80 per cent of the aviation industry's unionised workers.[122] It also claimed a membership of 150,000.[123] UOI was successful in establishing 'workers' commissions' (radical caucuses) in the rail, petroleum, metallurgy, steel, telephone and electrical workers' unions.[124] However, the UOI was not as militant as the other unions – demands were largely restricted to issues within specific workplaces.[125] Although the UOI's organisational activities limited FAT's expansion in various sectors, the latter's considerable achievements were worrying for the PRI because FAT succeeded in challenging the corporatist subordination of labour to the state.[126]

Labour militancy alarmed the government and it responded with economic palliatives as a way of dealing with the crisis. When economic growth slowed in 1972, the state defused protests by expanding direct state employment and a variety of populist social programs.[127] Public sector employment increased by 60 per cent, and Echeverría decreed three wage increases in response to labour unrest – the first two increases occurred in 1973 (18 per cent) and 1974 (17 per cent) and the third was a 25 per cent increase after the peso devaluation of 1976.[128] Elaborate programs to subsidise purchase of consumer durables by workers and to provide staples at a subsidised price were also implemented to ward off

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[120] The above account is from La Botz, *The Crisis of Mexican Labour, op.cit.*, pps.125-126.
[121] Zapata, Francisco, 'Book Review. Allies Across the Border: Mexico's "Authentic Labour Front" and Global Solidarity', *Industrial Relations*, Vol. 56, No. 3, 2001, p.629.
[122] Cockcroft, *op.cit.*, p.249.
[123] de la Garza Toledo, 'Independent Trade Unionism in Mexico: Past Developments and Future Perspectives', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.175.
[124] Cockcroft, *op.cit.*, p.249.
[125] Hathaway, 'Mexico's *Frente Auténtico del Trabajo*', *op.cit.*, p.14.
[126] Zapata, 'Book Review. Allies Across the Border', *op.cit.*, p.629.
[127] Bruhn, 'Social Spending and Political Support', *op.cit.*, p.153.
[128] Coleman and Davis, 'Preemptive Reform and the Mexican Working Class', *op.cit.*, p.7.

unrest.[129] In this way, the President sought to placate workers and to protect their purchasing power.[130] Independent unions, however, had grown in strength and as a result, Echeverría eventually reversed his relatively tolerant policy and undertook to strengthen the official labour movement and destroy the independent unions.[131]

v) AUTOMOBILE WORKERS

In the automobile industry also there were significant challenges, particularly during the years of the labour insurgency. Mobilisation had important implications due to the very nature of the industry. Larger worker concentrations per firm increased their bargaining leverage and the ability to mobilise. For these reasons, mobilisation in this sector had an explosive potential. Unions in this sector had a history of independence and were some of the first to challenge the government's control. In 1961, the *Diesel Nacional* (DINA), broke with the CTM and during the late 1960s and 1970s, several of the unions had strong internal opposition to corporatism. In 1972 and 1974, the Volkswagen and Nissan unions succeeded in breaking with the state-level CTM federations in Puebla and Morelos, respectively. The Ford and General Motors (GM) unions, while not achieving the same degree of independence, did both gain increased autonomy within their respective unions. By the early 1970s, six of the seven automobile workers' unions evidenced strong internal opposition to the official system of labour control.[132] Although GM and Ford were most affected by strike movements, none of the 10 major automobile manufacturing companies escaped strikes and other conflicts related to the struggle for union democracy.[133]

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[129] *ibid.*, p.8
[130] *ibid.*
[131] Goldin, Amy, 'Collective Bargaining in Mexico', *op.cit.*, p. 210.
[132] The above account is from Middlebrook, Kevin J., 'International Implications of Labour Change: The Automobile Industry', in Dominguez, Jorge I (ed)., *Mexico's Political Economy: Challenges at Home and Abroad*, Beverley Hills: Sage Publications, 1982, pps.149-150.
[133] de la Garza Toledo, 'Independent Trade Unionism in Mexico', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.174.

vi) MINING AND METALWORKERS

Reform movements to democratise unions occurred in the mining and metalworkers, the powerful National Union of Mining, Metallurgical and Similar Workers of the Mexican Republic (*Sindicato Nacional de Trabajadores Minero-Metalúrgicos y Similares de la República Mexicana* – SNTMMSRM). The democratisation of the SNTMMSRM began in section 67, located at the Fundidora de Monterrey in 1972 – other sections of the union followed in the next few years in Monclova (section 147) and Las Truchas (section 271) establishing a measure of autonomy and democracy within the framework of the national union.[134] The movement for greater internal democracy in the SNTMMSRM gathered force with the emergence of the Maoist-influenced Proletarian Line (*Línea Proletaria* – LP). *Línea Proletaria* was committed to grassroots organisation, direct democracy and mobilisation around workplace demands.[135] It proved most successful at placing shop-floor demands in a national political context – LP emphasised organisation in the workplace as the central element in labour negotiations and it had an important role in the democratic struggles at the Altos Hornos de México (AHMSA) and Las Truchas steel plants.[136] When a rank-and-file protest broke out at AHMSA in 1975-76 over workers' access to fringe benefits and profit sharing, Proletarian Line was able to win control over the local union.[137]

vii) TELEPHONE WORKERS

The movement for independent workers continued unabated, spreading to the Telephone Workers' Union (*Sindicato de Telefonistas de la República Mexicana* – STRM). The STRM was known for being relatively democratic and militant in the 1970s, regularly coming into direct conflict with the state.[138] When the pro-government leader of the union, Salustio Salgado, renegotiated a contract on behalf of the workers for a low wage increase in April 1976, strikes began to break out. The strikes rapidly spread to over 40 cities in Mexico and within 48 hours, these strikes led to the partial or complete shutdown of the

[134] Carr, 'The Mexican Economic Debacle and the Labour Movement' in Wyman, *op.cit.*, p.93.
[135] Middlebrook, *The Paradox of Revolution, op.cit.*, p.223.
[136] de la Garza Toledo, 'Independent Trade Unionism in Mexico', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.175.
[137] *ibid.*
[138] Lorena Cook, 'Mexican State-Labour Relations and the Political Implications of Free Trade', *op.cit.*, p.84.

telephone exchange system. Workers demanded autonomy from government control, organising the Democratic Committee of the Telephone Workers, headed by Francisco Hernández Juárez. [139]

In recognition of the strength of the rank-and-file strike, the government was forced to recognise the reform movement and permit elections for a leadership – in the election that followed, Hernández Juárez won the leadership by a large majority, 86 per cent to 10 per cent.[140] The STRM seceded from the PRI and the democratic leadership emphasised the development of department-specific wage and work rule agreements.[141] The Proletarian Line also became involved in the union – it supported this strategy and advocated shop-level worker assemblies, permitting it to develop a broader support base among the rank-and-file.[142]

CONCLUSION

Although the PRI state had in place a series of political, institutional and material measures to ensure that independent unions could not function effectively, it could not contain the massive outbreak of discontent from the late 1960s onwards. When labour unrest was large and significant, the PRI's hold over its constituencies was jeopardised. The threat of independent mobilisation was constant and real for the PRI throughout the decades of development, but during the *insurgencia obrera* between 1968 and 1976, it delivered a crushing blow to PRI authority. It presented a greater challenge, with the possibility of coordinated action among different working class sectors and solidarity movements, particularly in the context of more general political ferment and of the regime's more fragile legitimacy.[143] Labour was responsible for placing continuous and relentless pressure on the PRI for change.

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[139] The above account is from La Botz, *The Crisis of Mexican Labour, op.cit.*, p.160.
[140] *ibid.*
[141] de la Garza Toledo, 'Independent Trade Unionism in Mexico', in Middlebrook, *Unions, Workers and the State in Mexico, op.cit.*, p.175.
[142] *ibid.*
[143] Berins Collier, *The Contradictory Alliance, op.cit.*, p.62.

The labour insurgency was important because it severely weakened the structures of the PRI, allowing other pro-democracy forces to eventually drive it out. Between 1968 and 1976, sharpened labour-capital conflicts produced among workers and the bourgeoisie a critical questioning of the traditional forms of state control.[144] The PRI traditionally mediated conflicts between classes but after 1968, it could no longer easily control these forces – important sectors of the bourgeoisie lost faith in the PRI and as a result, they closed ranks and backed the party which they felt was more facvourable to their economic interests.[145] This participation was evident in the growth of the PAN – a significant portion of the private sector deserted the PRI and threw their support behind the PAN, as discussed in chapter 2.

Working class activism initiated a debilitating crisis of the PRI state – from the early 1970s onwards, its hegemony and legitimacy was contested by various social forces, particularly business. But labour did not form a political party which could vie for power. Besieged by economic crisis and austerity measures in the 1980s and 1990s, the working class was unable to challenge the PRI for presidential power. The consolidation of neo-liberal policies consistently placed the labour movement on the defensive. But despite government efforts to crackdown on the independent labour movement, it was still able to resist neoliberal economic policies such as privatisation throughout the 1990s.

This was particularly evident in the opposition to government-controlled unions and labour federations. In 1996, the PRI was confronted by a challenge – more than 21 unions, including 10 from the CT, held a series of presentations which they referred to as the Forum: Unions Face the Nation, promoting a debate about a variety of issues of importance to labour.[146] The debate about the role of unions in Mexico was strengthened by the creation of a new labour federation in November 1997 of the National Union of Workers *(Unión Nacional de Trabajadores* – UNT).[147] The UNT was formed when the STRM and 7 other unions pulled out of the CT and joined independent unions such as the FAT.[148] Over the next several years, the UNT continued to put forward a program of democratic reform

[144] Cockcroft, *op.cit.*, p.253.
[145] *ibid.*, pps.253,238.
[146] La Botz, Dan, 'Mexico's Labour Movement in Transition', *Monthly Review*, Vol. 57, No. 2, June 2005. Accessed 13 December 2007. http://www.monthlyreview.org/0605labotz.htm.
[147] *ibid.*
[148] *ibid.*

in unions and workplaces.[149] Such efforts were nonetheless unable to prevent the implementation of a neo-liberal economic and social program which significantly weakened the Mexican working class because of its onslaught on traditional labour rights. The result was that, after a split by a section of the old PRI to form the PRD in 1988, the PAN was the ultimate winner in 2000.

[149] *ibid.*

CHAPTER 4: THE BRAZILIAN TRANSITION

INTRODUCTION

Brazil experienced one of the longest periods of military dictatorship in Latin America during the mid-twentieth century. In 2002, one of the leading opponents of military rule – Luís Inácio 'Lula' da Silva – became President. It was a formidable achievement for someone who began his political career as a trade unionist in the struggle to end authoritarian rule and reverse the historical exclusion of the subaltern classes from national politics. The overriding theme in Brazilian history is the elite fear of unrestricted popular mobilisation. Under the Old Republic (1889-1930), Getúlio Vargas and the *Estado Novo*, and the military dictatorship, the masses were either excluded from democratic participation or incorporated through populist, corporatist or clientelist channels. During the democratic period of 1945-1964, labour and other movements in civil society experienced a resurgence. Despite relative freedom, they were still restrained through the party structure, populist measures and elitist control of the political system. Unlike the situation in Mexico, the popular sector was not included in the ruling alliance – it never occupied the same position of importance. It was similar to Mexico, however, in that the maintenance of elite hegemony was crucial for stability. Whether it was the agrarian and merchant elite of the Old Republic, the industrialists of the democratic period, or the military during its 20 year rule, the underlying consensus amongst the shifting coalition which held power was to preclude any political role for the masses.

Successive governments, whether democratic or authoritarian were able to keep a lid on mass discontent until the late 1970s. Prior to this period, any protest movements which arose were swiftly repressed and dealt with. By the late 1970s, as a result of industrialisation and the economic 'miracle' between 1968-1974, the working class was larger, stronger, and more resistant to authoritarian rule. Protest was widespread and leading the way was the 'new unionism' *(novo sindicalismo)* which exploded onto the political scene in 1978. This occurred in conjunction with opposition from various elements in society, including, students, peasants, the middle class and even some parts of the private business sector. The balance between various class forces could no longer be maintained,

the military dictatorship faced political opposition on several fronts. This situation was compounded by the economic crisis of the early 1980s.

Elite-led transitology argues that the transition to democracy in Brazil, beginning in the mid-1970s, was a natural process, emanating from within the ranks of the military. The implication is that it was an unfolding development which eventually culminated in the direct presidential elections of 1989. Although the importance of internal divisions within the military cannot be discounted as a factor in the 'relaxation' of political controls *(distensão),* elite-led transitology fails to ascertain the massive impact that popular mobilisation had on the regime. Instead, the masses are grouped together (for the most part), as an homogenous actor – 'civil society' – which has a fleeting and brief role in the political space opened up by liberalisation and the transition.

Similarly to Mexico, liberalisation in Brazil was about enhancing the regime's legitimacy rather than genuine democratisation. Electoral reforms to allow genuine party competition were enacted in order to counteract the government's widespread unpopularity. Once popular pressure became intense, the military sought to negotiate its exit from power with moderate opposition elements, from a place of relative strength. The purpose behind such a strategy was to enable the military to dictate the terms under which Brazil would be transferred to a civilian government. The popular sector, particularly the labour movement, was responsible for the continuation of the political opening *(abertura)* through its relentless opposition.

EXCLUSION OF POPULAR CLASSES - THE OLD REPUBLIC (1889-1930)

The stability of Brazilian society has historically been predicated on the exclusion of popular forces. A large portion of the population lacked any political or social rights and the Old Republic (1889-1930) was characterised by extreme levels of inequality. Only a highly restricted and privileged section of Brazilians exercised voting powers in the early twentieth century. Even by 1930, the franchise was limited to all literate males, which

amounted to just 3.5 per cent of the population.[1] To the extent that the masses played a role, it was an incidental one which was designed to maintain oligarchic control through the extensive network of regional ties. Regional elites had the capacity to sustain their positions in local and national politics due to the electoral support they maintained through clientelistic control of major portions of the rural sector.[2] Within the regional states, politics remained a contest between clans, with each province having its own pyramid of power reaching down to the localities through a hierarchy of political bosses known as *coronéis,* or colonels.[3] In exchange for jobs and funds, the rural poor voted to elect officials favoured by the local *coronéis.*[4] The political power of governors resided in the system of patronage based in the countryside.

Under the Old Republic, power was decentralised and the federal presidency was a matter of mutual agreement between the economically dominant states. Most of Brazil's regions, particularly the poorer ones, had virtually no voice in federal politics. The presidency alternated between the two wealthiest and most populous states, São Paulo and Minas Gerais and occasionally, Rio Grande do Sul. This – the 'politics of the governors' – concentrated political power in the hands of a select few. The Brazilian economy during the Old Republic was centred on the export of coffee, which was dominated by the wealthier states of São Paulo (coffee) and Minas Gerais (cattle): the *café com leite* alliance ('coffee with milk'). Coffee's share in exports rose from 56 per cent in 1919 to over 75 per cent in 1924.[5] Behind the 'politics of the governors' was fear of mobilisation and consequently, disruption of the status quo.

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[1] Montero, Alfred P., 'Brazil', in Joseph, William A., Mark Kesselman and Joel Krieger (eds), *Introduction to the Politics of the Developing World*, 3rd ed., Boston: Houghton Mifflin Co., 2004, p.188.
[2] Berins Collier and Collier, *op.cit.*, p.104.
[3] Williamson, *op.cit.*, p.411.
[4] *ibid;* Montero, 'Brazil', in Joseph, Kesselman and Krieger, *op.cit.*, p.188.
[5] Baer, Werner, *The Brazilian Economy: Growth and Development*, 4th ed., Westport, Connecticut: Praeger, 2001, p.32.

STATE FEAR OF LABOUR MILITANCY RESULTS IN A WEAKENED & DEPENDENT LABOUR MOVEMENT (1900-1930)

Despite repression directed against the labour movement, it was successful in rocking the foundations of this carefully crafted stability. From the 1890s onwards, anarchism and anarcho-syndicalism were the dominant ideologies of organised labour in the Labour Federation of Rio de Janeiro *(Federação Operária do Rio de Janeiro* – FORJ) and São Paulo Labour Federation *(Federação Operária de São Paulo).*[6] Anarchist ideas derived from Spanish, Italian and Portuguese immigrants who came to Brazil to work on the São Paulo coffee plantations – an unforeseen consequence of a government policy to recruit labourers during a time when the economy was expanding due to coffee exports.

In the first city-wide general strike in Rio de Janeiro in 1903, worker demands included a pay increase and a shorter workday.[7] The strike spread to other trades until the number of strikers was 40,000 – paralysing Rio for 20 days.[8] Strikes continued in São Paulo in 1906 and 1907 – followed by brutal repression.[9] Despite this, the first Brazilian workers' congress met in 1906, with 28 organisations from various parts of the country represented with delegates voting to form a national organisation, the Brazilian Labour Confederation *(Confederação Operária Brasileira* – COB).[10] Although there were state attempts to create government-sponsored trade unions in order to undermine the influence of the militants, the predominant way of dealing with labour remained repression.

One method was removing the leadership through deportation. Particularly in São Paulo, immigrants were a majority of the workers and there were at least 550 deportations by 1921.[11] The São Paulo general strike in July 1917 marked the high point of labour activism. What began as a work stoppage for higher wages at a large textile factory soon spread to other firms, with 45,000 on strike.[12] Workers organised a *Comitê de Defesa Proletária*

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[6] Greenfield, Gerald Michael, 'Brazil', in Greenfield and Maram, *op.cit.*, p.73.
[7] Hall, Michael M. and Hobart J. Spalding Jr., 'The Urban Working Class and Early Latin American Labour Movements, 1880-1930', in Bethell, Leslie (ed), *The Cambridge History of Latin America, c.1870 to 1930*, Vol. IV, Cambridge: Cambridge University Press, 1986, p.348.
[8] *ibid.*
[9] *ibid.*
[10] *ibid.*, p.349.
[11] *ibid.*, pps.331-332.
[12] *ibid.*, p.356.

(CDP), largely composed of anarcho-syndicalists, who devised a broad list of demands.[13] The CDP won a 20 per cent pay increase and this was followed by an upsurge in labour organisation.[14] A wave of strikes elsewhere in São Paulo and in Rio de Janeiro continued until 1919. Once again, however, labour militancy was crushed by state repression with the support of industrialists.

The 1920s was characterised by intensive efforts to purge the labour movement of its radical elements and bring the remainder under state control.[15] Radical unions were closed, with arrests and deportations. Some moderate unions were spared and efforts were made to establish pro-government unions. The labour movement lost its most able militants through deportation, and there were growing internal divisions over strategy and tactics which left the movement in considerable disarray.[16] The result was a significant decline in the influence of anarchism. In the late 1920s, there was a slight revitalisation of the labour movement under communist influence. The Communist Party *(Partido Comunista do Brazil* – PCB) was formed in 1922, establishing itself in Rio de Janeiro unions and in 1926, it organised an electoral front the *Bloco Operário e Componês* (BOC).[17] It also managed to secure some minor electoral posts. Although the labour movement was still weak in 1930, militancy caused concern among industrialists and the military. It would not be long before the emergence of a restructured ruling coalition would find an institutional and long-term solution for taming an unruly labour movement.

CRISIS OF THE OLD SYSTEM – THE 'REVOLUTION' OF 1930

The construction of a new order which would incorporate labour in a new framework was the 1930 revolution, a juncture in Brazilian history. An external event precipitated the revolution – the Great Depression, which slashed Brazil's export earnings. Value of exports fell from US $445.9 million in 1929 to US $180.6 million in 1932.[18] In 1931, the price of coffee was at one-third of the average price in the years 1925-29 and Brazil's terms of trade

[13] *ibid.*
[14] *ibid.*
[15] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.74.
[16] Hall and Spalding, 'The Urban Working Class and Early Latin American Labour Movements, 1880-1930', in Bethell, *The Cambridge History of Latin America, c.1978-1930, op.cit.*, p.357.
[17] *ibid.*, p.364.
[18] Baer, *op.cit.*, p.35.

fell by 50 per cent.[19] Those rural elites whose economic dominance was centred on coffee exports were badly affected. The crisis in the economy acted as a trigger for change.

In addition, many were left dissatisfied with the exclusionary nature of the Old Republic. A combination of various class forces sought to replace the old structure with a government which would accommodate their interests. Leading the way was Getúlio Vargas, a wealthy cattle ranch owner from Rio Grande do Sul. Vargas had support from sectors of society who sought change, including regional elites who had been excluded from the 'politics of the governors', the new urban middle class, industrialists and sectors of the military – the *tenentes,* known as young lieutenants. The *tenente* movement began in Rio when idealistic army cadets and officers revolted against the government which they accused of political corruption and misuse of the army.[20] They were inspired by reformist and nationalist ideals. A considerable sector of the army was also dissatisfied with a system which devoted so much of the nation's wealth to shoring up an export trade dominated by one state and its foreign business partners.[21] Large landowners excluded from political power and the *café com leite* alliance, particularly heavily populated states such as Rio Grande do Sul and Rio de Janeiro, resented the dominance of São Paulo and Minas Gerais. Within São Paulo, urban-centred industrialists were also unhappy with the disproportionate amount of resources which the state heaped on the coffee exporters.

Vargas tapped into the accumulated frustration of all these sectors of Brazilian society in order to lead the coup which would place him in power. A crisis in the presidential succession was the short-term cause of the 1930 coup. The Old Republic was based on a consensus among political elites that the presidency would alternate between São Paulo and Minas Gerais. Instead of nominating a candidate from São Paulo or Minas Gerais, outgoing president Washington Luís nominated his official successor from Rio Grande do Sul. Vargas used this opportunity to launch his coup on 3 November 1930 and reorganise Brazil's political and economic structures.

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[19] *ibid.*
[20] Conniff, Michael L., 'The *Tenentes* in Power: A New Perspective on the Brazilian Revolution of 1930', *Journal of Latin American Studies*, Vol. 10, No. 1, May 1978, p.61.
[21] Williamson, *op.cit.*, p.415.

THE 'REVOLUTION' OF 1930 & THE REALIGNMENT OF CLASS FORCES

The 1930 revolution was vital to the construction of a state able to manage discontent amongst the popular classes. Dependence on a rural oligarchy – and indeed, only a fragment of it – was the main weakness of the Old Republic. This rendered it unable to absorb the new social groups spawned by early industrial development.[22] It was hostile to the emergence of mass-based political parties and to the effective representation of both urban middle class and working class interests.[23] While the working class was an additional source of opposition and pressure for change, it was not directly a part of the new coalition that eventually came to power.[24] Rather, fear of the growth and radicalisation of the working class was one of the concerns shared by the groups pushing for change.[25]

However, Brazil's revolution of 1930 did not completely destroy the foundations of the Old Republic. Although elements of the rural elite which had dominated state power were weakened, they were not completely displaced in the aftermath of the revolution – the countryside remained largely untouched. This meant that the rural oligarchy was still able to protect its interests. The intimate link between economic and political power was not severed with Vargas' assumption of power. New forces entered politics and all were in total agreement regarding the continued exclusion of the masses. A very broad and heterogeneous political coalition emerged under the new regime.[26] It was based around a number of conflicting interests, including rural elites, industrialists, the military and to a lesser extent, the new urban middle class.

Vargas had not relied on the working class for support in coming to power. Therefore, there was not the same urgent need to pacify labour in the same way as Mexico, where workers had fought on various sides in return for concessions and favourable government policy. In Mexico, the popular sectors were viewed as crucial political resources that could be

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[22] Cammack, Paul, 'Brazil: The Long March to the New Republic', *New Left Review*, No. 190, November-December 1991, p.27.
[23] *ibid.*
[24] Berins Collier and Collier, *op.cit.*, p.108.
[25] *ibid.*
[26] Guimarães, Alexandre Queiroz, 'Historical Institutionalism and Economic Policymaking – Determinants of the Pattern of Economic Policy in Brazil, 1930-1960', *Bulletin of Latin American Research*, Vol. 24, No. 4, 2005, p.532.

mobilised by the state.[27] The PRI served to direct mass participation in politics, while in Brazil there was no comparable party which could manipulate the labour movement in a similar way. In order to prevent the militancy evidenced during the Old Republic, the government set out to create a dependent and passive working class. The strikes and mobilisation of the period after World War I had left the regime with an important lesson regarding working class agitation. In the period after the 1930 revolution, unions were prevented from consolidating an effective independent position.[28] The main goal was to create a legalised and institutionalised labour movement that was depoliticised, controlled and penetrated by the state.[29] Vargas set out to tame the labour movement and purge it of its radical elements.

VARGAS & THE ESTADO NOVO

In order to appease the urban industrialists which had backed his 1930 coup, Vargas sought to deepen Brazil's industrial base and curb the country's dependence on coffee exports. The first systematic state-sponsored industrialisation emerged with the creation of new bureaucratic structures and public firms, in particular, the national oil company Petrobrás.[30] To further his economic objectives, Vargas carried out a program of centralisation whereby power was transferred from the states to the federal government and policy-making became the domain of the executive.

After 1930, the Brazilian state began a policy of ISI. This included targeting capital-intensive heavy industry. Vargas was also responsible for the creation of a number of large-scale infrastructural projects and public works.[31] Industries were established for iron and steel production and Brazil's first integrated steel mill was opened at Volta Redonda in 1943, the National Steel Company. Public enterprises were set up in railroads and shipping as well as steel. Coffee, tea and sugar were subject to the supervision of federal agencies.[32]

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[27] Berins Collier and Collier, *op.cit.*, p.196.
[28] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.74.
[29] Berins Collier and Collier, *op.cit.*, p.163.
[30] Montero, 'Brazil', in Joseph, Kesselman and Krieger, *op.cit.*, p.198.
[31] Cammack, 'Brazil: The Long March to the New Republic', *op.cit.*, p.30.
[32] Skidmore, Thomas E., 'Politics and Economic Policymaking in Authoritarian Brazil, 1937-1971', in Stepan, Alfred (ed), *Authoritarian Brazil: Origins, Policies and Future*, New Haven and London: Yale University Press, 1973, p.32.

Brazil's reliance on earnings from coffee exports was detrimental because it made the country subject to the vagaries of the world market. So a policy of diversification was adopted, whereby investment funds were substantially withdrawn from coffee production and instead directed into industry with concomitant policies of exchange controls, tariffs and credits to stimulate non-coffee based exports.[33]

The industrialisation drive coincided with a strengthening in Vargas' power at the executive level. In the political sphere, state governors were replaced with 'interventors' *(interventores)* – governors who directly reported to the president. Their job was to reorganise the political structure within states in order to establish a system of patronage in support of Vargas.[34] Industrialisation required a work force which would comply with the government's developmental objectives. The state's reach in labour relations was more extensive and invasive than in Mexico. Stringent controls over the working class reflected a profound fear of labour's potential for disturbing the status quo. However, initially Vargas allowed unions to function. In November 1930, the Ministry of Labour was established by decree and unions were legally recognised. But when strikes and labour activity emerged, Vargas moved quickly to reinstate tighter controls over the unions. The 1934 constitution declared strikes to be illegal and unions were placed under police supervision.[35]

In repressing autonomous unionism, Vargas received the support of urban industrialists who favoured a policy of industrialisation with limited worker disruption. Moreover, key sectors of the military also agreed with tightening controls over labour in order to limit dissent. Industrialists and the military profited from the shift in economic strategy – industry received state protection and subsidies, while the construction of large, modern defence-related industries – particularly steel and armaments – was well-received by senior military officials. It was an astute move to maintain the support of two powerful groups. Sectors of the middle class also benefited from economic growth with an expansion of employment in the public sector. Vargas therefore, was able to skillfully balance the varied civilian and military interests that made up the broad ruling coalition which sustained his rule until 1945.

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[33] Humphrey, John, 'Industrialisation in Brazil: The Miracle and its Aftermath', in Crow, Ben and Mary Thorpe *et al* (eds), *Survival and Change in the Third World*, Cambridge: Polity Press, 1988, p.217.
[34] Williamson, *op.cit.*, p.416.
[35] Roett, Riordan, *Brazil: Politics in a Patrimonial Society*, 3rd ed., New York: Praeger, 1984, p.105.

Provision of welfare benefits served to maintain a level of labour docility in the face of extensive state control. Legislation stipulated a minimum wage, 48-hour maximum work week, paid vacations, workers' compensation, guaranteed severance pay, maternity leave and pension funds.[36] In 1933, the administration created a new social insurance institution, the Retirement and Pension Institute *(Instituto de Aposentadoria e Pensões* – IAP) which was to provide a wider range of social services including health care and housing loans, but it remained under the supervision of the Ministry of Labour.[37]

Addressing economic and social inequalities through the welfare function of unions was an important feature of the state's attempts to deal with the 'social question'. The government was concerned with how to handle the radicalisation or potential radicalisation of the working class and how to respond to the emergence of the working class as an economic and potentially a political actor.[38] The policy of the state was to implement a concept of 'social peace and harmony' based upon direct 'state mediation'.[39] Reducing the union to an institution of social assistance was a crucial way in which the state sought to prevent class conflict. For the unions, it meant loss of independence and the ability to carry out autonomous action.

In order to consolidate his power, Vargas sought to find a way to circumvent the 1934 constitution, which elected him to the presidency for a four-year term. The opportunity arose in 1937 when the pretext of a communist plot was used to suspend the constitution. A new constitution was engineered, which gave Vargas virtually unlimited powers and established a dictatorship known as the *Estado Novo* (New State) in 1937 which lasted until 1945. Providing an ongoing solution for the problem of how to control a restless working class, the *Estado Novo* was responsible for continuing the subordination of the masses, particularly the labour movement.

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[36] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.77.
[37] *ibid.*
[38] Berins Collier and Collier, *op.cit.*, p.184.
[39] Moreira Alves, Maria Helena, 'Trade Unions in Brazil: A Search for Autonomy and Organisation', in Epstein, *op.cit.*, p.40.

Any possibility of independent labour unionism was thoroughly quashed with the creation of the *Estado Novo*. A new labour policy was formulated – working class activity was to be controlled through an elaborate bureaucratic-corporatist system. The Ministry of Labour's duties were broadened to include firm controls over union finances, primarily through the *impôsto sindical*, the union tax. One day's wages per year were deducted automatically from each worker's pay.[40] As the most important structure of Vargas' corporatism, the Ministry of Labour also decided what percentage of the funds went back to the union and could choose to stop funding a union for failing to comply with labour laws.[41] Funds were largely used to supply workers with welfare assistance – however, the tax had another more important purpose. It served to depoliticise labour because unions came to be seen by their members as providers of social security benefits rather than as instruments of collective bargaining.[42] Provision of benefits to the working class was geared towards cultivating Vargas' paternalistic image as 'father of the people' *(o pai do povo)*. The state's minimal social assistance was intended to demonstrate that Vargas' brand of authoritarian-corporatism genuinely protected worker interests. In reality however, the labour movement was a bureaucratic appendage of the state.

Placed under the supervision of the Ministry of Labour, labour was tied to the government – it became a bureaucratic instrument of the regime. As part of the state apparatus under the *Estado Novo*, the working class did not have any substantial influence over the direction of government policy. It was co-opted *(cooptação)* into a structure where its interests were controlled and mediated through a combination of legal and institutional measures. As a result, labour occupied a subordinate position. Independent unionism was strictly prohibited and any attempt to organise outside of official channels was swiftly crushed. It was a system of corporatist labour relations that had one of the lowest levels of union autonomy in Latin America.[43]

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[40] Hall, Michael M. and Marco Aurélio Garcia, 'Urban Labour', in Conniff, Michael L. and Frank D. McCann (eds), *Modern Brazil: Elites and Masses in Historical Perspective*, Lincoln: University of Nebraska Press, 1989, p.172.

[41] Hunter, Wendy, *Eroding Military Influence in Brazil: Politicians against Soldiers*, Chapel Hill: University of North Carolina Press, 1997, p.74.

[42] Roxborough, 'Urban Labour Movements in Latin America since 1930', in Bethell, *Latin America*, *op.cit.*, p.254.

[43] *ibid.*, p.255.

Rather than providing institutional room for expression of labour demands and collective bargaining, the labour movement was restricted through corporatism. The Ministry of Labour exercised extensive powers over union affairs. In order for unions to be legal, they had to have government recognition. Elections were also closely monitored – under Decree-Law no. 1402, passed on 5 July 1939, they could be cancelled and their leaders removed by the Ministry of Labour. Vargas sought to place all relations between labour and capital in the context of state administrative structures.[44] Unions were prevented from participating in politics and providing support to political parties. The 1943 code, known as the Consolidated Labour Laws, or *Consolidação das Leis do Trabalho* (CLT), prohibited the formation of unions at the state or national level. Unions were only allowed to organise by plant and industry on a local basis – just one was permitted in each plant under the scrutiny of the Labour Ministry.[45] Rather than constituting a challenge to state power or a source for conflict and disorder, labour became a functional group in the corporatist state.[46] Basic issues such as wages, hours, conditions and social welfare benefits became legislative matters and they were settled within the government structure.[47] Organised labour became wholly dependent on the state.

Industrial disputes were mediated through a set of tripartite institutions, with representatives of the employers, the union leadership and the state sitting on key commissions and in labour courts – most disputes were settled in the complex labour court system rather the workplace.[48] Shop-floor grievances were channeled into the vast bureaucracy where conciliation and arbitration procedures were insulated from the immediate demands of the rank-and-file.[49] Independent organisation within the official unions was virtually non-existent. In pushing for improvements or changes in the workplace, unions were forced to negotiate via the federal government – production was not to be disrupted.

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[44] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.75.
[45] Skidmore, Thomas E. and Peter H. Smith, *Modern Latin America*, 2nd ed., New York: Oxford University Press, 1989, pps.164-165.
[46] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.75.
[47] *ibid.*
[48] Roxborough, 'Urban Labour Movements in Latin America since 1930', in Bethell, *Latin America, op.cit.*, p.254.
[49] *ibid.*

Union leadership in Brazil was crucial in maintaining labour subservience. As a result of the controls the government had over leadership candidates and their removal, the leadership was conservative, serving to defuse mobilisation of the rank-and-file. Union leaders were referred to as *pelegos*, a derogatory term which describes the blanket that sits between the horse and the saddle, describing co-opted labour leaders as a device that makes it more comfortable for a rider (government, industry) to ride the horse (workers).[50] Rather than represent workers, leaders were representatives of employers or the government. *Pelegos* served a dual purpose – to maintain labour passivity, while developing a mass base of support for the regime.[51]

The weakness of the labour movement in Brazil was compounded by the lack of political parties to represent and articulate working class interests – labour unions were not linked to any national party. The PCB was in no position to do so as a result of state persecution. Unlike Cárdenas in Mexico, Vargas did not rely on active popular support, on the contrary, a fundamental aim of his labour policy was to divorce or isolate unions from political parties and from political activities.[52] In marked contrast to Mexico, Brazilian state-labour relations involved little or no political mobilisation of the working class, but rather emphasised its demobilisation.[53] Faced with such restrictions, labour was unable to successfully mount an independent challenge to state authority. Popular participation and the negative implications which this represented for the ruling coalition once again came to confront Brazil's dominant economic and political interests in the democratic period between 1945 and 1964.

CONTINUING THE MECHANISMS OF CONTROL: BACKGROUND TO THE DEMOCRATIC PERIOD

Serious challenges faced Vargas and the political elite during the final years of the *Estado Novo* (1943-1945). In the last stages of World War II, it became apparent that Vargas'

[50] Guidry, 'Not Just Another Labour Party', *op.cit.*, p.106.
[51] Munck, Ronaldo, 'The Labour Movement in Argentina and Brazil: A Comparative Perspective', in Boyd, Rosalind E., Robin Cohen and Peter C.W. Gutkind (eds), *International Labour and the Third World: The Making of a New Working Class*, Aldershot: Avebury, 1987, p.117.
[52] Berins Collier and Collier, *op.cit.*, p.184.
[53] *ibid.*, p.185.

brand of authoritarianism was at odds with the approaching demise of fascism in Europe. International pressure to democratise the political system (particularly from the United States) and demands from Brazilians to hold elections could not be ignored. High-ranking military officers also anticipated that the *Estado Novo* would not be able to survive the war. The dilemma now facing the political elite was how to maintain control of the labour movement and popular classes under a democracy.

Calling for elections in late 1945, Vargas promised that an authoritarian Brazil would soon be a thing of the past. The political elite however, had other reasons for supporting the move towards democracy. By granting democratic rights peacefully, they sought to use the resources of the state under their control to maintain the structure of power even after formal democratic institutions had been introduced.[54] In 1943, Vargas began to make overtures to the working class in anticipation of future elections. The corporatist union structure established under the *Estado Novo* gave Vargas a vast patronage instrument for converting potential opponents into political clients.[55]

Predicting that he would need a new basis of support under democracy, Vargas appealed to the working class through *trabalhismo.* Comprising a large part of the urban electorate, this was a political strategy designed to attract the labour vote. In numerous speeches, Vargas emphasised the dignity of labour and the contributions which workers made to national development, while also contrasting the neglect of the working class by previous governments with the concern shown by the *Estado Novo.*[56] Such speeches highlight the essence of *trabalhismo* – it was intended to reinforce Vargas' paternalistic image as a benevolent leader – at the same time stressing the positive contributions made by labour to Brazilian development.

Trabalhismo was extremely worrying for the military who viewed it as a threatening expression of populism. Vargas talked about "readjusting" political structures and referred to the organised working class as an important element "for national representation" in

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[54] Cohen, Youssef, *The Manipulation of Consent: The State and Working-Class Consciousness in Brazil*, Pennsylvania: University of Pittsburgh Press, 1989, p.100.
[55] Skidmore, Thomas E., *Politics in Brazil, 1930-1964. An Experiment in Democracy*, New York: Oxford University Press, 1967, p.40.
[56] Flynn, Peter, *Brazil: A Political Analysis*, London: Ernest Benn, 1978, p.111.

speeches.[57] He also made several concessions to labour. Strikes were tolerated, dissidents were allowed to run in union elections (and in some cases were victorious) and wage increases were permitted.[58] In April 1945, the PCB secured the right to organise freely and communist leaders were released from jail.[59] These concessions, along with direct appeals to the working class, led the military to believe that Vargas might seek to keep himself in power without their support. They were also uneasy about the radical changes in the status quo which Vargas' speeches seemed to imply. As a result, he was forced from office by the military in October 1945 and democratic elections were held in December of the same year, ending 15 years of Vargas in power. Military fears about *trabalhismo* however, were unfounded. Although it appeared to encourage an active role for the working class in national politics, it merely sought to manipulate the interests of labour without providing any real changes in the corporatist system. As a way of keeping the working class in line with government objectives, populism became an important characteristic of the democratic period.

In the lead-up to the December 1945 elections, the political elite used the resources of the expanded state to forge the broad electoral coalition that would allow it to perpetuate its power in the future regime.[60] Before leaving office, Vargas recruited officials from the Ministry of Labour and union bureaucrats to establish the Brazilian Labour Party *(Partido Trabalhista Brasileiro* – PTB) as a vehicle to mobilise labour support.[61] Drawing on the official labour movement, it claimed to represent working class interests. However, the PTB was not a rank-and-file workers' party – its members included bureaucrats, civil servants and wealthy landowners – those who were interested in maintaining the established order. It pre-empted the formation of a more genuine and autonomous working class party.[62] Lacking any historic or revolutionary roots, the PTB was organised by the state to garner support from urban labour for the ruling coalition.

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[57] *ibid.*, p.113.
[58] Berins Collier and Collier, *op.cit.*, p.369.
[59] Humphrey, John, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry*, Princeton: Princeton University Press, 1982, p.17; Berins Collier and Collier, *op.cit.*, p.369.
[60] Cohen, *op.cit.*, pps.100-101.
[61] Collier and Collier, *op.cit.*, p.369.
[62] Cohen, *op.cit.*, p.101.

Another party was formed by Brazil's political elite – the Social Democratic Party *(Partido Social Democrático* – PSD). It was essentially conservative, made up of Old Republic political bosses and *Estado Novo interventores.*[63] Landowners, bureaucrats, bankers and industrialists who had benefited from Vargas' state-led industrialisation project also joined the ranks of the PSD.[64] Numerically larger, the PSD had a more extensive territorial reach as a result of its clientelistic ties to the countryside.[65] Incorporating the countryside into national politics under the control and leadership of the rural bourgeoisie, the PSD provided a massive and conservative counterweight to the PTB.[66] Those who were opposed to Vargas formed the National Democratic Union *(União Democrática Nacional* – UDN) which was the opposition party during the democratic period. It was made up of a broad range of opponents to Vargas' *Estado Novo*, but it became a moderate and conservative party which had the most support from the liberal professionals and intellectuals of the urban centres.[67]

Forming an electoral front, the PTB and PSD upheld the status quo and prevented the popular classes, particularly the labour movement from having an authentic voice in national politics. By bringing these two groups together, the political elite of the old regime forged the broad class coalition underlying the electoral alliance between the PSD and the PTB, which would dominate the democratic period.[68] It was an exercise in electoral engineering designed to maintain the consensus created in the aftermath of the 1930 revolution. However, it was not a unified partnership – varied class interests within both parties presented serious challenges for each president. Forced to negotiate their way amongst different factions, the autonomy of the presidency during this period was restricted. Nonetheless, the elite agreement which had characterised the Old Republic and *Estado Novo* still remained – the labour movement had to be controlled.

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[63] Roett, *Brazil, op.cit.*, p.56.
[64] *ibid.*
[65] Cammack, 'Brazil: The Long March to the New Republic', *op.cit.*, p.31.
[66] Cammack, Paul, 'Clientelism and Military Government in Brazil', in Clapham, Christopher (ed), *Private Patronage and Public Power: Political Clientelism in the Modern State*, London: Frances Pinter, 1982, p.59.
[67] Roett, *Brazil, op.cit.*, p.58.
[68] Cohen, *op.cit.*, p.101.

THE DEMOCRATIC PERIOD (1946-1964): A NEW ERA FOR LABOUR OR NEW METHODS OF CONTROL?

The labour movement's hope that democratic elections signaled a new era for working class organisation was quickly dispelled. General Eurico Dutra (1946-1950) wasted little time in demonstrating that Brazil's corporatist structure would not be dismantled. Serving as War Minister under the *Estado Novo*, the military regarded Dutra as an acceptable choice for president. As the PSD candidate, Dutra headed a conservative government which sought to provide economic and political stability. Even before a new constitution was passed in September 1946, Decree-Law 9070 significantly curtailed the right to strike and the Ministry of Labour exercised its powers to intervene in union affairs.[69] Endorsing a hard-line policy toward independent unionism, the 1946 constitution envisaged an ultimately pliable trade union movement rather than an organisation of and for the working class which could offer effective challenge to the government and substantially modify the balance of political power.[70] The anti-communist climate of the Cold War resulted in a crackdown on leftist organisations – the PCB was banned in May 1947 and communists were removed from elected office. Moreover in 1949, 234 unions suffered intervention by the Ministry of Labour.[71] There was no mistaking the fact that Dutra's administration represented a setback for the working class.

Vargas reappeared on the political scene when he won the 1950 elections and returned to the presidency for another term on a combined PSD and PTB ticket. His campaign was characterised by populist appeals to urban workers. Vargas used his connection to the PTB to emphasise his own record on labour relations and his commitment to improving the lot of the working class, describing the party as the 'political arm of the people' *('a arma política do povo').*[72] This was an important aspect in Vargas' strategy to consolidate a new coalition of forces constructed around labour support to carry out a policy of nationalist development.[73] It required the active collaboration of the more radical politicians and

[69] Humphrey, *op.cit.*, p.18.
[70] Flynn, *op.cit.*, p.138.
[71] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.45.
[72] Flynn, *op.cit.*, p.148.
[73] Humphrey, *op.cit.*, p.19.

labour leaders within the PTB and the corporatist system.[74] He sought to capitalise on the labour relations structure he had created under the *Estado Novo* and generate a solid basis of support from that structure. In exchange for their support, Vargas relaxed the control of the Ministry of Labour over the unions – labour laws were not strictly applied, inter-union bodies were formed and the frequency of strikes increased.[75] The ideological test that had been a requisite for union leadership and which had excluded communists from leadership positions within the unions was also repealed.[76] Although the PCB was still banned, it started to organise again in the unions. These factors increased the influence of the left in the official unions and weakened *pelego* control.

Vargas however, faced massive obstacles – he had to adopt a development strategy which would not alienate powerful class interests. It was extremely difficult to reconcile his nationalist and populist rhetoric with an economy that was experiencing high levels of inflation and debt.[77] The rapid industrialisation favoured by nationalists required huge levels of investment which the state could only finance with foreign capital – of which the nationalists were strongly against – or by printing money which caused even higher inflation and played havoc with economic planning and industrial relations.[78] In particular, the military disapproved of the fact that Vargas appeared to tolerate the increase in communist organisation and some of the more militant labour activity.

So for the rest of his term, Vargas performed a juggling act similar to his previous 15 years of rule. Placating different elements was a difficult task and by early 1954, the tensions were evident. Vargas' attempts to bring inflation down while trying to pacify the working class with wage increases brought him into conflict with the left and the right. Seeking to build his own basis of support from within the official labour movement, labour minister João Goulart pressed for wage increases. This however, clashed with anti-inflation measures and Goulart was dismissed. The unions criticised this move and at a workers' rally on 1 May, 1954, Vargas unexpectedly announced that the minimum wage would be

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[74] Cohen, *op.cit.*, p.101.
[75] *ibid.*
[76] Berins Collier and Collier, *op.cit.*, p.399.
[77] Williamson, *op.cit.*, p.421.
[78] *ibid.*

doubled.[79] He was now attacked by industrialists for catering to the left and for irresponsibility in handling the economy.[80] Fearful of the economic and political instability which Vargas' populist measures were generating, the military gave Vargas an ultimatum of either resigning, or being forced from office. Instead, Vargas chose suicide on 24 August, 1954. The foundations of his rule were tenuous because his power did not reside in any one particular class, although he had tried to cultivate a solid foundation from the labour movement. Rather, his strength was in his ability to balance the diverse interests – when this failed him, Vargas chose to end his life.

Many of Vargas' policies toward the labour movement were continued by Juscelino Kubitschek (1956-1961) who also came to power with the backing of the PSD and PTB. By combining nationalism and economic development throughout his term as President, Kubitschek received sufficient popular support to ward off any serious challenges from either civilian or military dissidents.[81] He promised 'fifty years of development in five' with the expansion of Brazil's infrastructure and the provision of incentives to encourage foreign and domestic investment in newly created and expanding industries. One of the cornerstones of Kubitschek's development program was the construction of a new capital city, Brasília, 600 miles north-west of Rio de Janeiro in the sparsely populated state of Goiás.[82] It was an administration that achieved a large degree of legitimacy by combining political stability with a relatively high rate of economic growth.[83]

Worker activation and protest grew during the Kubitschek presidency. In the first years of his presidency, unions were allowed to function without being harassed, collective bargaining was permitted and there were very few interventions.[84] Kubitschek's development was carried out despite mounting inflation which negatively affected working class wages. In July 1956, Kubitschek sought to alleviate the pressure with an increase in the minimum wage.[85] Protest and mobilisation reached new heights in 1958 as the rise in inflation substantially eroded wage increases, culminating in a wave of unrest and

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[79] *ibid.*, p.422.
[80] *ibid.*
[81] Roett, *Brazil, op.cit.*, p.88.
[82] Williamson, *op.cit.*, p.423.
[83] Roett, *Brazil, op.cit.*, p.88.
[84] *ibid.*, p.106.
[85] Flynn, *op.cit.*, p.202.

violence.[86] The government response in December 1958 was an increase of 58 per cent in the minimum wage and a rise of 30 per cent in the salaries of civil servants and the military.[87] Once again, mounting inflation wiped out the new adjustment and strike activity and protests escalated.[88] By June 1959, in anticipation of the upcoming presidential election in 1960, Kubitschek abandoned plans to implement a stabilisation program in the face of labour protest.[89] Throughout 1959, the state of São Paulo experienced 954 strikes and in December, dissent and social upheaval spread to cities throughout Brazil.[90]

Under Kubitschek, radical and leftist tendencies within the official unions continued to grow. Rather than being seen as a barrier, many on the left changed tactics and began to view corporatism as a valuable source of political influence that could be used to put pressure on the government.[91] This opportunity arose in a revised social security law – it gave labour leaders one-third of the seats on the governing councils of social security agencies, including the IAP.[92] The councils themselves enjoyed considerable autonomy, so membership expanded labour leaders' possibilities for autonomous action.[93] Such councils increased the possibilities for patronage.[94] Leaders sought to use "traditional means for a radical end".[95]

Autonomous union organisations which had increased also began to form in a relatively freer environment. The most important were those associated with the PCB, such as the Permanent Committee for Trade Union Organisations *(Comitê Permanente das Organizações Sindicais* – CPOS) and the Pact for Unity and Action *(Pacto de Unidade e Ação* – PUA) which later became the General Workers Command *(Comando Geral dos Trabalhadores* – CGT).[96] These organisations were responsible for linking unions and worker demands throughout Brazil. The emergence of these groups seemed to point to a

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[86] Berins Collier and Collier, *op.cit.*, p.387.
[87] Flynn, *op.cit.*, p.202.
[88] Berins Collier and Collier, *op.cit.*, p.388.
[89] *ibid.*
[90] *ibid.*
[91] Humphrey, *op.cit.*, p.20.
[92] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.79.
[93] *ibid.*
[94] *ibid.*
[95] Erickson, Kenneth Paul, *The Brazilian Corporative State and Working Class Politics*, Berkeley: University of California Press, 1977, p.83.
[96] Flynn, *op.cit.*, p.202.

break in the whole structure of government-controlled unions and the corporatist system of the *Estado Novo.*[97]

When serious labour conflict threatened undisputed government control over the unions however, the situation changed. The degree of freedom granted to labour was qualified – it was a government which continued to stress control over the masses.[98] Kubitschek responded to the rising tide of labour protest and strikes at the end of the decade with charges of subversion and cracked down on the labour movement through the arrest of union leaders and police occupation of and intervention of unions.[99] The state attempted to prevent the PCB from gaining control over unions, moving forcefully in 1960 against a leftist-inspired rail and maritime strike.[100] So even though labour was allowed to function, when protest appeared to threaten established interests, the government responded with tough measures. There was very little change in the legal framework in a direction that fundamentally favoured workers or altered the basic, restrictive labour laws.[101] Key elements which maintained government regulation over union matters, such as the union tax *(impôsto sindical)* still remained in place.

By the early 1960s, organised labour had experienced dramatic changes. Economic growth and industrialisation had increased the number of unionised workers and electoral competition afforded the labour movement an opening in which to organise and strike.[102] A number of radical labour leaders gained leadership positions in the official unions and occupied important posts in the bureaucracy. It was unclear whether the next president would permit the left to continue to mobilise or whether there would be a crackdown on labour activity. The first four years of the decade would demonstrate the limits of Brazilian democracy

Elected in January 1961, Jânio Quadros resigned after only seven months in office. He was succeeded by the PTB vice president, João Goulart (1961-1964). As Labour Minister under Vargas, Goulart's populist style and his association with the left-wing of the PTB led the

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[97] *ibid.*
[98] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.79.
[99] Berins Collier and Collier, *op.cit.*, p.388.
[100] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.79.
[101] Berins Collier and Collier, *op.cit.*, p.399.
[102] *ibid.*, p.388.

military, the centre and many in the centre-right to view him with suspicion. The army high command (in conjunction with conservative politicians) sought to restrict Goulart's power. He assumed the presidency once a compromise was devised which obliged him to share power with a prime minister and a cabinet that would be collectively responsible to Congress.[103] But a plebiscite restored his full presidential powers in January 1963 and military and conservative efforts to prevent Goulart from upsetting the status quo proved to be in vain.

Lacking a strong support base in any one class, Goulart turned to the left and the labour movement to strengthen his mandate. As a result, labour mobilisation reached an unprecedented level under Goulart. For the first time, it encountered an environment which allowed independent worker organisations to flourish. This led to an increase in the level of labour activity and strikes – in 1962 there were 148 strikes, while in 1963, there were 172.[104] Radical labour leaders displaced *pelegos* in the official labour structure and were instrumental in coordinating and leading strikes.[105] Goulart's administration witnessed a prominent role for radical labour leaders, many of whom were allowed to establish control over Brazil's most important union organisations, including the single largest national confederation, the National Confederation of Industrial Workers *(Confederação Nacional dos Trabalhadores na Indústria* – CNTI). These union leaders also became executive directors of some of the largest state-administered social welfare agencies.[106]

Mobilisation of the labour movement however, had serious consequences. It frightened the middle and upper classes, greatly narrowing Goulart's base of support within these groups – the alienation of such support meant, in turn, that the president was increasingly dependent on the mobilisation of workers to carry out his reform program.[107] But he still sought to balance between classes – an example of this was the Dantas-Furtado Plan.

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[103] Williamson, *op.cit.*, p.424.
[104] Roxborough, 'Urban Labour Movements in Latin America since 1930', in Bethell, *Latin America, op.cit.*, p.263.
[105] Mericle, Kenneth S., 'Corporatist Control of the Working Class: Authoritarian Brazil since 1964', in Malloy, James M (ed)., *Authoritarianism and Corporatism in Latin America*, London: University of Pittsburgh Press, 1977, p.305.
[106] Erickson, Kenneth Paul and Kevin J. Middlebrook, 'The State and Organised Labour in Brazil and Mexico', in Hewlett, Sylvia Ann and Richard S. Weinert (eds), *Brazil and Mexico: Patterns in Late Development*, Philadelphia: Institute for the Study of Human Issues, 1984, p.220.
[107] Mericle, 'Corporatist Control of the Working Class', in Malloy, *op.cit.*, p.305.

Goulart's economic program called for anti-inflation measures such as stringent wage controls and cuts in credit and public spending.[108] Deflationary policies were balanced by a series of structural reforms designed to redistribute wealth.[109] Goulart sought to redistribute land to peasants, increase income tax on high earners and extend voting rights to illiterates so as to undermine the oligarchic rural machines which controlled the electoral system in the countryside.[110] The Plan however, antagonised both the left and the right – labour criticised wage controls and the right were alarmed at the progressive elements.[111] Lacking sufficient support, the President was unable to carry through the Plan in Congress and it was discarded.

Failing to balance successfully the different class interests, Goulart was forced to turn to the radical left in order to blunt the challenges from the right – in particular, the army high command was becoming increasingly vociferous in its opposition to Goulart. Nevertheless, he continued to add fuel to the flames by adopting leftist rhetoric and threatening to mobilise the labour movement to carry out a left-wing coup. This shift to the left however, was a desperate act – it was meant to demonstrate to the right that Goulart's support was strong and that workers were prepared to defend the president against any attempts to displace him from power. The reality however, was that the threat posed by Goulart to capital was more rhetorical than real. Adding to this mix were serious economic woes – high inflation, combined with a worsening recession, led to a situation where domestic and foreign capitalists withheld investment.[112] Economic crisis, in conjunction with political polarisation and the president's identification with the radical left, alarmed segments of the middle class, industrialists and most importantly, the military. Throughout February and March 1964, Goulart held mass rallies. On 13 March in Rio de Janeiro, he signed a series of decrees nationalising the oil industry and expropriating large estates.[113] A few days later, he presented Congress with a series of reformist bills which included the granting of the right to vote to enlisted men and the legalisation of the Communist Party.[114] Goulart's critics

[108] Williamson, *op.cit.*, p.425.
[109] *ibid.*
[110] *ibid.*
[111] *ibid.*
[112] Hall and Aurélio Garcia, 'Urban Labour', in Conniff and McCann, *op.cit.*, p.180.
[113] Williamson, *op.cit.*, p.426.
[114] *ibid.*

were convinced that the creation of a *'república sindicalista'* (trade union state) was imminent.[115]

The military responded with a coup on 1 April, 1964 which overthrew two decades of democratic government. Because of the need to restrict popular mobilisation, the ruling elite in Brazil had never organised genuine channels for the legitimate expression of dissent. This meant that when extensive mobilisation occurred under Goulart's presidency, it threatened the status quo and thus, it was inherently dangerous for conservative elements. Although there were differences between the presidents in the democratic period, the framework of power largely remained untouched. From Dutra onwards, the state used the corporatist framework established under the *Estado Novo* to impose its will upon the labour movement.[116] All elected governments managed the finances of unions and co-opted working class leadership to collaborate with the state – they also made use of the mechanisms of control embedded in the CLT.[117] Between 1946 and 1964, different administrations made populist appeals to the working class – a strategy designed to gain a support base independent of other classes and the military, not to genuinely empower the labour movement. So the union movement tended to be a vehicle of political support for populist governments, rather than institutional conduits for working class pressure.[118] The increased assertiveness of the labour movement under Goulart, however, signaled a potential danger for conservative elements – it was the last straw for the military. On the other hand, Goulart only allowed independent worker organisations to operate as long as they supported him – he was not interested in genuinely strengthening the labour movement, but rather, sought to use it against his opponents in order to thwart attacks from the right. Viewed from the military's perspective, worker mobilisation and Goulart's attempts to introduce progressive reforms threatened to undo the very basis upon which the Brazilian state had been constructed under Vargas and the *Estado Novo*. The last phase of the democratic period proved to the ruling classes that the reestablishment of controls over

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[115] Flynn, *op.cit.*, p.232.
[116] Erickson, *op.cit.*, p.29.
[117] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *Labour Autonomy and the State in Latin America*, *op.cit.*, p.45.
[118] Moreira Alves, Maria Helena, 'Interclass Alliances in the Opposition to the Military in Brazil: Consequences for the Transition Period', in Eckstein, Susan (ed), *Power and Popular Protest: Latin American Social Movements*, 2nd ed., Berkeley: University of California Press, 1989, p.278.

labour was necessary – this led to the systematic subjugation of the masses under military rule.

MILITARY DICTATORSHIP - THE SUPPRESSION OF INDEPENDENT POLITICAL ACTIVITY & THE ECONOMIC 'MIRACLE'

Upon taking power, the military acted immediately to suppress radical forces. This was done in order to prevent the reoccurrence of the political polarisation and dangerous instability of the Goulart years, whom the military accused of 'deliberately bolshevizing' Brazil.[119] Under General Humberto Castello Branco (1964-1967), the First Institutional Act (IA-1) of April 9, 1964 gave the government the right to annul or 'cassate' (dismiss) the mandate of any of the nation's elective officers and to deprive them, as well as any other officials or citizens, of their political rights for 10 years.[120] This device allowed the regime to remove 89 of the 409 deputies elected in 1966 between December 1968 and October 1969.[121] The military sought to maintain a semblance of liberal democracy by keeping Congress open (although it was shut down at various times) and by maintaining a two-party system.

In October 1965, following the defeat of pro-government candidates in gubernatorial elections by opposition politicians, a hard-line military faction reacted by forcing President Castello Branco to decree a Second Institutional Act (IA-2).[122] It created the electoral system which would persist until the early 1980s, laying the foundations for the creation of a government party, the National Renovation Alliance *(Aliança Renovadora Nacional* – ARENA) and an opposition party, the Brazilian Democratic Movement *(Movimento Democrático Brasileiro* – MDB). All other political parties were suppressed. This system was intended to maintain the appearance of liberal democracy, however, it was far from genuinely competitive. As the conservative, pro-government party, ARENA retained the network of patronage which was crucial for its electoral dominance – the countryside. The MDB, as the 'official' opposition party, presented no serious threat for the regime during

[119] Erickson, *op.cit.*, p.153.
[120] *ibid.*, p.154.
[121] *ibid.*
[122] *ibid.*

the 1960s. Numerous institutional acts, constitutional amendments and executive decrees were engineered to give the regime unlimited powers and strip Congress, the legislature and the judiciary of any independent role.

The suppression of autonomous political activity was also accomplished with an extensive security apparatus. A network of police and military forces cultivated an environment of fear. In December 1968, the Fifth Institutional Act (IA-5) was imposed by General Artur da Costa e Silva (1967-1969) in response to massive student and labour protests against the military dictatorship from March to June 1968. Students were killed, progressive lecturers were expelled from universities, activists were imprisoned and tortured, universities were invaded by the armed forces and hundreds 'disappeared'.[123] IA-5 enabled the president to close Congress, suspend the mandates and political rights of numerous politicians, impose press censorship and remove various Supreme Court justices.[124]

The most repressive and violent period of the military dictatorship occurred under hardliner General Emilio Médici (1969-1974). Arrests, torture and 'disappearances' became a common feature under Médici. The tight lid on political opposition was seen as necessary by the hardliners in order to carry out rapid industrialisation with limited disruption, thus, the crackdown on political activity coincided with an economic boom. Brazil's model of economic development exhibited similarities with the Mexican path to rapid economic growth. The state played a key part in underpinning the 'economic miracle' which peaked between 1968 and 1974 through massive investment in infrastructure and heavy industry (steel, hydro-electricity and telecommunications) and through direct and indirect subsidies to private capital.[125] Growth was predicated on a 'triple alliance' between the state, and foreign and domestic capital.[126] The military kept all basic industries and utilities under state control and largely retained the nationalist policy of ISI by selective tariffs.[127] Brazil's state sector also expanded – hundreds of state corporations were established and the state

[123] Lowy, Michael and Stephen M. Gorman, 'Students and Class Struggle in Brazil', *Latin American Perspectives*, Vol. 6, No. 4, Autumn 1979, p.102.
[124] Filho, João Roberto Martins and John Collins, 'Students and Politics in Brazil, 1962-1992', *Latin American Perspectives*, Vol. 25, No. 1, January 1998, p.161.
[125] Cammack, 'Brazil: The Long March to the New Republic', *op.cit.*, p.22.
[126] *ibid.*
[127] Williamson, *op.cit.*, p.429.

invested millions in public firms like *Compania Vale do Rio Doce* (CRVD or *Vale*), a mining conglomerate that was Brazil's largest public firm.[128]

Large-scale projects in shipbuilding, mining, oil, bauxite and aluminum were financed and managed by bureaucratic agencies and state firms – these projects often operated in conjunction with larger development plans designed to attract domestic and foreign entrepreneurs.[129] One of the most important agencies responsible for economic development was the National Bank for Economic and Social Development *(Banco Nacional de Desenvolvimento Economico e Social* – BNDES), established in the early 1950s under Vargas. The BNDES played a key role in channeling public funds to industrial projects during military rule, such as the trans-Amazonian highway, the Tucuruí hydroelectric plants and the Açominas metallurgy park.[130]

Industrialisation propelled the country from a largely rural based economy to one which was substantially industrial. During the boom, real GDP grew at an average yearly rate of 11.3 per cent between 1968 and 1974 and the industrial growth rate also reached levels of 12.6 per cent.[131] The rate of growth of exports averaged about 15 per cent per year for the late 1960s and early 1970s, and by the mid-1970s, over one-third were manufactured goods.[132] Exports rose by 126 per cent – from $2.7 billion to $6.2 billion and foreign exchange reserves rose from $656 million in 1969 to $6.417 billion in 1973.[133] These changes were also evident in dramatic demographic shifts – between 1968 and 1980, the proportion of the population living in cities rose from 45 to 68 per cent.[134]

Although Brazil experienced some of the highest growth rates in the world during this period, there was a darker side to the positive picture that official statistics painted. Skewed levels of income distribution antagonised large sectors of the population, particularly the

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[128] Montero, 'Brazil', in Joseph, Kesselman and Krieger, *op.cit.*, pps.185,193.
[129] *ibid.*, p.199.
[130] *ibid.*, p.213.
[131] Baer, Werner, 'Brazil: Political Determinants of Development', in Wesson, Robert (ed), *Politics, Policies and Economic Development in Latin America*, Stanford: Stanford University, Hoover Institution Press, 1984, p.59.
[132] *ibid.*
[133] Skidmore, Thomas E., *The Politics of Military Rule in Brazil, 1964-85*, Oxford: Oxford University Press, 1988, pps.139,140.
[134] Diniz, Eli, 'The Post-1930 Industrial Elite', in Conniff and McCann, *op.cit.*, p.114.

urban working classes. Restrictive wage policies meant that real minimum wages fell continuously while higher-income groups benefited enormously.[135] The effect of the military on the distribution of wealth in the 1960s and 1970s was stunning. In 1960, the richest 10 per cent of the population received 39.6 per cent of the national income; by 1980 they received 50.9 per cent, while the poorest 50 per cent received only 12.6 per cent.[136] The Brazilian economic 'miracle' proved to be a double-edged sword for the regime – the end of impressive growth rates marked the beginning of the military's demise.

THE TRANSITION TO DEMOCRACY – ELECTIONS, POPULAR OPPOSITION & ECONOMIC CRISIS

By 1975, the military could not ignore the demands made by various groups to democratise the political system. Although the regime was prepared to institute piecemeal reform in order to placate civil society, it also sought to ensure that reforms would not fundamentally threaten its power. Divisions within the military further complicated the debate over which strategy to adopt. Vacillations between political liberalisation and reinstituting authoritarian measures reflected the internal rifts within the military, namely, the battle between the soft-line and hard-line factions. As a result, the Brazilian transition was characterised by shifts from liberalisation to re-establishment of political controls over the electoral process.

The presidency of General Ernesto Geisel (1974-1979) initiated a period of *distensão,* beginning in March 1974. This 'relaxation' witnessed a gradual reduction of restrictions on civil and political liberties. Censorship of the media and police surveillance was eased, allowing the MDB to reach a wider audience and appeal to a larger section of the population due to increased access to radio and television. In October 1974, the military allowed free elections for Congress, which alarmed the government because they demonstrated the increasing strength of the opposition, particularly in urban centres. The

[135] Baer, 'Brazil', in Wesson, *op.cit.*, p.60.
[136] Williamson, *op.cit.*, p.430.

MDB increased its representation in the Chamber of Deputies from 28 to 44 per cent and gained 16 of 22 senators, as well as winning majorities in six state assemblies.[137]

Internal divisions within the armed forces were an important factor prompting liberalisation. During the hard-line years of General Médici, Brazil's security network grew extensively, particularly the two main security organisations – the Operations and Intelligence Department for Internal Defense *(Destacamento de Operações e Informações de Defesa Interna* – DOI-CODI) and the National Intelligence Service *(Serviço Nacional de Informações* – SNI). The intelligence network expanded dramatically during the Médici years and was centered around the system of political control headed by the SNI.[138] A vast structure of intelligence gathering and surveillance gave the security agencies enormous power and autonomy in domestic policy-making.[139] The particularly harsh crackdown on all forms of political mobilisation under General Médici was directed by the hard-liners who were in control of the SNI and DOI-CODI – the security network, therefore, was the refuge of the hard-line.

Some of the officer corps reacted negatively to the excesses of security forces – the soft-liners believed that the military's function and its basic principles had been distorted, thus jeopardising the integrity of the armed forces.[140] To preserve the hierarchy it had become necessary to neutralise the hard-line, to tone down repression and to return the military to the barracks.[141] For General Geisel and the soft-liners, placing curbs on the autonomy and impunity of the hard-liners within the repressive apparatus was a prerequisite to the consolidation of their own position within the state.[142] The rifts between the hard-liners and soft-liners were the result of historical factors – military factionalism had always been a source of conflict within the Brazilian armed forces. Divisions were primarily the result of debates over which type of government was suitable for Brazil. Soft-liners favoured a

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[137] Wesson, Robert and David V. Fleischer, *Brazil in Transition*, Stanford: Stanford University Press, Praeger Special Studies and Hoover Institution Press, 1983, p.106.
[138] Smith, William C., 'The Political Transition in Brazil: From Authoritarian Liberalisation and Elite Conciliation to Democratisation', in Baloyra, Enrique A (ed)., *Comparing New Democracies: Transition and Consolidation in Mediterranean Europe and the Southern Cone*, Boulder: Westview Press, 1987, pps.189-190.
[139] *ibid.*, p.190.
[140] Fausto, Boris, *A Concise History of Brazil* (transl. by Arthur Brakel), Cambridge: Cambridge University Press, 1999, p.297.
[141] *ibid.*
[142] Smith, 'The Political Transition in Brazil', in Baloyra, *op.cit.*, p.190.

restricted liberal form of democracy and were keen on maintaining coalitions as well as the status quo. This was compatible with the political system which emerged under Vargas and the *Estado Novo*. The hard-liners preferred to rule with force and repression – they were not interested in crafting coalitions, but rather, in strengthening Brazil's domestic security forces and increasing the nation's international standing as an economic and military powerhouse. The rise of a powerful repressive apparatus under General Médici complicated the already existing split and created further tensions at a time when the military was facing considerable popular and elite pressure to democratise.

Political liberalisation had another purpose – the regime was dealing with increased popular opposition to its rule and instituting reform measures was seen as a way of defusing dissent. The military's most repressive years damaged its image in the eyes of many Brazilians. It alienated more and more sectors of the population, including large segments of the middle class and urban white-collar workers. By the late 1970s, the nature of opposition was stronger than in previous periods and it had become more frequent and extensive. The military made little effort to incorporate the popular sectors or labour into the governing structure. This differentiates Brazil from Mexico, where incorporation of the popular sector and labour into the institutional framework was a crucial way in which the PRI was able to control opposition when it emerged in the late 1960s and early to mid-1970s. By contrast, the Brazilian military ruled primarily through crude force.

Opposition to the government was not limited to any one particular class or segment in Brazilian society. Business discontent grew over what was seen as the excessive growth of state enterprises and economic interventionism.[143] The 'anti-statism' campaign of the mid 1970s, known as '*desestatizasão*', was led by the private sector in São Paulo which was resentful of the government's continued controls over its economic activities. The campaign consisted of lobbying the government, issuing public statements and reports which detailed the grievances of the private sector and national meetings in the key organisations set up to represent business interests. In particular, the private sector had serious reservations about the Second National Development Plan (1975-79) which called

[143] Gillespie, Charles G., 'Models of Democratic Transition in South America: Negotiated Reform versus Democratic Rupture', in Ethier, Diane (ed), *Democratic Transition and Consolidation in Southern Europe, Latin America and Southeast Asia*, Houndmills: Macmillan, 1990, p.50.

for increased state intervention in the economy and required large investments in petroleum, energy, chemicals, pulp and paper.[144] Business interests were critical of the public enterprises and para-statal companies that spearheaded the state's deepening involvement in productive activities in competition with private capital.[145] Many industrialists also lost confidence in the government following the MDB's impressive gains in the 1974 elections.

The gradual politicisation of key sectors of the entrepreneurial class in opposition to the authoritarian state led to demands for greater liberalisation.[146] At first, calls for liberalisation were exclusively directed towards the economic sphere. By 1978, however, calls to open up the political system were fueled by the centralisation and technocratic closure of decision-making.[147] Although most large private enterprises depended on state contracts and support, they also suffered from competition with state enterprises and frustration over the difficulty in reaching policy-makers.[148] The regime's most important policy decisions were insulated from political pressure – various branches of the state, (sometimes at odds with one another), controlled economic decisions, leaving businessmen frustrated over the possibility of influencing specific outcomes.[149] In late 1977, the Congress of the Producing Classes (a former corporatist body representing the private sector) held a national meeting which called for greater political freedom, decentralised economic power, reduced bureaucracy and more state support for private initiative.[150]

In the same year, the Chairman of the São Paulo Chamber of Commerce issued a statement claiming that most industrialists supported a return to democracy.[151] Four leading Brazilian industrialists issued a manifesto in mid-1978 declaring that "only democracy absorbs social

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[144] Haggard, Stephan, *Pathways from the Periphery: The Politics of Growth in the Newly Industrialising Countries*, Ithaca: Cornell University Press, 1990, pps.182-183.
[145] Smith, 'The Political Transition in Brazil', in Baloyra, *op.cit.*, p.203.
[146] *ibid.*
[147] *ibid.*
[148] Seidman, Gay W., *Manufacturing Militance: Workers' Movements in Brazil and South Africa, 1970-1985*, Berkeley: University of California Press, 1994, p.106.
[149] *ibid.*
[150] *ibid.*, p.108.
[151] Baloyra, Enrique A., 'From Moment to Moment: The Political Transition in Brazil, 1977-1981', in Selcher, Wayne A., *Political Liberalisation in Brazil: Dynamics, Dilemmas and Future Prospects*, Boulder: Westview Press, 1986, p.26.

tensions".[152] The manifesto challenged the basis of Brazil's economic growth – it criticised the military's centralised control, the closure of political channels and the inequality that had marked the country's industrialisation strategy.[153] Thus, domestic capital's opposition gradually acquired an explicit democratic content.[154] Public criticism of the regime became more extensive – important segments of the private sector advocated democracy and political reform as the only way to resolve Brazil's social and economic problems, thus business became part of the broader movement calling for democratisation in the late 1970s.

Another visible opponent of the military were students, whose protests highlighted the widespread disillusionment with the hardships of military rule. Demonstrations were sparked off in 1977 by the imprisonment of a group of students and workers who distributed an anti-government pamphlet. On 1 May, 1977, students mobilised and took to the streets. Despite police intervention, more than 10,000 protested in the centre of São Paulo, demanding liberation of the May Day prisoners, amnesty for political prisoners and the reestablishment of democratic liberties. The student movement spread rapidly to the entire country. In the main cities such as Rio de Janeiro, Brasilia and Porto Alegre, university strikes multiplied, as did street demonstrations, protest assemblies and confrontations with police. On 23 August, 1977, a 'National Day of Struggle' took the form of student strikes and marches in the large urban centres, with such slogans as 'Down with the Dictatorship'. The student movement became a political centre, mobilising intellectuals and receiving the solidarity of sectors of the Church, artists, journalists and lawyers.[155] The political situation in Brazil was becoming increasingly volatile and unmanageable.

The military was also faced with sustained opposition from the Catholic Church. Large-scale human rights abuses and increasing media coverage of torture, deaths in custody and disappearances galvanised the Church into becoming the unofficial opposition against the military regime.[156] An increased commitment to social justice issues also formed an important reason for the Church's involvement in the political sphere – it founded and

[152] Seidman, *op.cit.*, p.99.
[153] *ibid.*
[154] Smith, 'The Political Transition in Brazil', in Baloyra, *op.cit.*, p.204.
[155] The above account is from Lowy and Gorman, 'Students and Class Struggle in Brazil', *op.cit.*, p.101.
[156] Bruneau, Thomas C. and W.E. Hewitt, 'Patterns of Church Influence in Brazil's Political Transition', *Comparative Politics*, Vol. 22, No. 1, October 1989, p.39.

supported programs in favour of specific groups, such as landless peasants, Indians and urban workers – those who had been adversely affected by the inequalities generated by rapid industrialisation.[157] From 1976, the National Conference of Brazilian Bishops (CNBB) issued several documents and reports which strongly criticised the regime and advocated substantial change in favour of the lower classes.[158] The CNBB, comprising of 240 episcopal divisions and 350 bishops, was crucial in co-coordinating and promoting a progressive orientation.[159] Documents and statements calling for structural reforms in Brazilian society and the economy were usually formulated at CNBB general assemblies with 200 bishops in attendance.[160] In order to press for change, the Church was active in mobilised and organised Christian Base Communities (CEBs) which brought together local residents to discuss immediate social needs, take political action and encourage grassroots organisation.[161] They were also active in evaluating political parties and their platforms and urging members into political action to defend their rights.[162] It is estimated that by the end of the 1970s, there were 50-80,000 CEBs in Brazil with over 4 million participants.[163]

What makes the political activism of the Catholic Church in Brazil unique is that it was not just a group or sector, but the institution as a whole which promoted a strategy of change.[164] Although there were disagreements within the episcopate and variations from diocese to diocese, on the whole, the Church emerged as a defender of the poor and oppressed during the harshest years of authoritarianism and placed a large amount of pressure on the regime to democratise. The Church ran political education programs to encourage popular organisation in order to press for services such as education, health care and running water and it also provided information on political parties and elections. During the transition, the Church played an important role through its attacks on the regime, political education and mobilisation in the CEBs, support of civilian politicians and its role in the new unionism.[165]

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[157] *ibid.*, p.40.
[158] *ibid.*
[159] Bruneau, Thomas C., 'Church and Politics in Brazil: The Genesis of Change', *Journal of Latin American Studies*, Vol. 17, No. 2, November 1985, p.272.
[160] Bruneau and Hewitt, 'Patterns of Church Influence in Brazil's Political Transition', *op.cit.*, p40.
[161] *ibid*; Roett, *op.cit*, p.103.
[162] Roett, *op.cit*, p.103.
[163] Neuhouser, Kevin, 'The Radicalisation of the Brazilian Catholic Church in Comparative Perspective', *American Sociological Review*, Vol. 54, No. 2, April 1989, p.239.
[164] Bruneau and Hewitt, 'Patterns of Church Influence in Brazil's Political Transition', *op.cit.*, p.41.
[165] The above account is from Bruneau and Hewitt, 'Patterns of Church Influence in Brazil's Political Transition', *op.cit.*, p.41.

Labour militancy formed the most serious threat to the government – more than any other social sector, the working class paid the price for rapid industrialisation.[166] Years of repression and far-reaching control coincided with the period of rapid development. Predominantly situated in the suburbs of São Paulo and Rio de Janeiro, blue-collar industrial workers numbered 4 million by 1970 and 6 million by 1980.[167] However, they were concentrated in several major industrial centres. This created the necessary conditions for the emergence of an explosive and militant labour movement known as the 'new unionism' *(novo sindicalismo)* between 1978 and 1982. Worker opposition, its militancy and the crucial role it played in the broader democratisation movement, will be looked at in further detail in chapter 5.

As a result of the *distensão*, a large number of popular groups sprang forth and established alternative forms of political, social and economic organisation. From grassroots collectives concerned with the cost of living, to neighbourhood associations clamouring for improvements in social and welfare provisions, the military was confronted with the proliferation of social movements which utilised the democratic opening to place their interests on the agenda. Popular organisations included the Cost of Living Movement, the Workers' Pastoral, the National Labour Front *(Frente Nacional de Trabalho)*, the Women's Movement for Amnesty, and regional MDB organisations. Along with segments of the Catholic Church, opposition parties and professional associations, these groups joined workers in strikes, pickets and street protests throughout Brazil. Labour's opposition was dangerous for the military because it extended beyond the unions proper, stimulating greater activism within the large working-class neighbourhoods and communities – the new unionism championed the demands of the lower classes generally.[168] Grassroots mobilisation intensified the military's fears of large-scale popular resistance. The military, therefore, turned to the electoral arena as a way of maintaining its rule.

To prevent the MDB's dominance in Congress and to pacify the hard-line faction in the military, liberalisation proceeded at a slow pace. In preparation for the 1978 elections,

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[166] Skidmore, 'Politics and Economic Policymaking in Authoritarian Brazil, 1937-71', in Stepan, *Authoritarian Brazil, op.cit.*, p.20.
[167] Skidmore and Smith, *op.cit.*, p.154.
[168] Berins Collier, Ruth, *Paths Toward Democracy, op.cit.*, p.137.

Geisel introduced the 'April Package' *(Pacote de Abril)* in April 1977. The purpose of the April Package was to ensure that the gubernatorial election would be controlled by gerrymandered state 'electoral colleges'.[169] It was also designed to skew the electoral system to ARENA's advantage by reducing the representation in Congress and in the Electoral College of the more populous, urban and industrialised states of the south and centre-south, while over-representing ARENA strongholds in the north and north-east.[170] This measure set a maximum representation for the more populous states, disadvantaging opposition-dominated São Paulo, and a minimum to favour the least populous states.[171] The government was allowed to appoint one-third of the Senate in order to guarantee control of the upper house.[172]

This exercise in political engineering enabled the military to maintain control of the key governorships and of a majority in the Senate.[173] Despite such engineering, the MDB gained 57 per cent of the valid senatorial votes, but it did not gain a majority in the upper house – ARENA also still held the majority in the Chamber of Deputies with 231 seats against the MDB's 189.[174] But most of the MDB's votes were cast in the more developed states and in the larger cities, its share of votes in São Paulo was 84 per cent, in Rio de Janeiro State 63 per cent and in Rio Grande do Sul 62 per cent.[175] Demographic changes increasingly worked against the regime. As voters in the cities came to outnumber those in non-urban areas, the predominantly rural bases of support for the military regime were undercut.[176]

Geisel's successor, General João Figuereido (1979-1985) extended the *distensão* with a policy of *abertura* which was intended to buttress the process of liberalisation while still maintaining a tight rein over the democratic opening. In order to demonstrate his commitment to the *abertura*, General Figuereido decreed an amnesty permitting political exiles to return in November 1979. Moreover, he allowed for the release of political prisoners, censorship of books and newspapers (but not of radio and television) was

[169] Wesson and Fleischer, *op.cit.*, pps.107-108.
[170] Smith, 'The Political Transition in Brazil', in Baloyra, *op.cit.*, pps.198-199.
[171] Munck, Ronaldo, *Latin America: The Transition to Democracy*, London: Zed Books, 1989, p.94.
[172] *ibid.*
[173] Wesson and Fleischer, *op.cit.*, p.108.
[174] Fausto, *op.cit.*, pps.298-299.
[175] *ibid.*, p.299.
[176] Diniz, 'The Post-1930 Industrial Elite', in Conniff and McCann, *op.cit.*, pps.114-115.

abolished and some strikes were allowed.[177] IA-5 was repealed and the president promised a return to direct elections for governor and other offices in 1982.[178] The government also abolished ARENA and the MDB which had dominated elections since their creation in 1965 and new, independent political parties were allowed to form. ARENA changed its name to the Democratic Social Party *(Partido Democrático Social* – PDS) and the MDB became the Party of the Brazilian Democratic Movement *(Partido do Movimento Democrático Brasileiro* – PMDB). The allowance of multiple parties was intended to fragment the opposition forces, diluting the strength of the PMDB as the only significant opposition party by creating several parties which would compete against each other.[179]

The formation of the Workers' Party *(Partido dos Trabalhadores* – PT) was a significant development in Brazilian politics. One of the main differences with Mexico was that unlike the CTM, the Workers' Party was not a creation of the state – it was born out of the labour struggles and grassroots organisation which punctuated the political landscape from 1977 and onwards. Its leader, Lula, was a leader of the Metalworkers' Union of São Bernardo and Campo *(Sindicato dos Metalúrgicos de São Bernardo do Campo).* The party grew steadily in the 1980s and 1990s – its representation in the Chamber of Deputies went from 8 in 1982 to 49 in 1994 – almost 10 per cent of the Chamber.[180] The PT was an extremely important advance in leftist politics, given the highly controlled nature of political parties in Brazil and its extensive links with grassroots labour and the rank-and-file – its emergence, as well as its impact on national politics and role within the labour movement will be examined in more detail in chapter 5.

Although the government continued liberalisation, it utilised its control in order to prevent any major opposition victories. In anticipation of the November 1982 elections, General Figuereido introduced the November 1981 'electoral package'. This package established that all votes were to be along party lines, prohibiting party alliances.[181] Designed to divide

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[177] Williamson, *op.cit.*, p.432.
[178] Sarles, Margaret J., 'Maintaining Political Control Through Parties: The Brazilian Strategy', *Comparative Politics*, Vol. 15, No. 1, October 1982, p.42.
[179] Roett, Riordan, 'Brazil's Protracted Transition to Democracy and the Market', in Wise and Roett, *op.cit.*, p.202.
[180] Skidmore, Thomas E., *Brazil: Five Centuries of Change*, New York: Oxford University Press, 1999, p.213.
[181] Pereira, Luiz Bresser, *Development and Crisis in Brazil, 1930-1980*, Boulder: Westview Press, 1984, p.201.

opposition parties, the package required voters to choose party 'slates' rather than individual candidates for office, preventing opposition parties from picking and choosing the seats they would contest.[182] Despite such measures, the PMDB continued to increase its electoral strength through significant gains at the polls. The 1982 elections represented a milestone in Brazilian politics. A large number of Brazilians – 48 million – voted for city councilors as well as state governors.[183] The opposition won easily in São Paulo, which accounts for 21 per cent of Brazil's population.[184] Minas Gerais, Rio de Janeiro and São Paulo, the three largest industrial states with 42 per cent of the population and two-thirds of Brazil's GDP, all elected opposition governments.[185] The PMDB took 9 governorships and 269 members in the Electoral College.[186] But the PDS took 12 of the state governorships and 359 members in the Electoral College, thus enjoying a comfortable majority.[187]

In 1983, the opposition began the *diretas ja!* campaign (direct elections now!) which consisted of opposition politicians, social movements and labour unions – it was the largest set of demonstrations since 1964.[188] Hundreds of thousands of Brazilians mobilised to push for re-democratisation and an end to the military dictatorship. Ultimately however, it did not lead to direct elections. A constitutional amendment was introduced in 1983 to replace the Electoral College with direct presidential elections in 1985 – however, it failed by 22 votes in Congress.[189] Despite this, the *diretas ja!* rallies exerted tremendous pressure on the military at a moment when the question of who would succeed General Figuereido was not clear.[190] With hundreds of thousands of Brazilians on the streets demanding democracy, the government was unable to maintain a united front.

The military was also faced with a crisis as a result of its economic policies. The optimism generated by the boom period gave way to the stark reality of economic downturn from

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[182] Roett, *Brazil, op.cit.*, p.73.
[183] Fausto, *op.cit.*, pps.308-309.
[184] Frieden, Jeffry A., 'The Brazilian Borrowing Experience: From Miracle to Debacle and Back', *Latin American Research Review*, Vol. 22, No. 1, 1987, p.119.
[185] *ibid.*
[186] Bruneau, Thomas, 'Brazil's Political Transition', in Higley, John and Richard Gunther (eds), *Elites and Democratic Consolidation in Latin America and Southern Europe,* Cambridge: Cambridge University Press, 1992, p.261.
[187] *ibid.*
[188] Roett, 'Brazil's Protracted Transition to Democracy and the Market', in Wise and Roett, *op.cit.,* p.203.
[189] *ibid.*
[190] Montero, 'Brazil', in Joseph, Kesselman and Krieger, *op.cit.*, p.194.

1978 onwards. Foreign indebtedness rose from US $12.5 billion in 1973 to $43.3 billion in 1978 and $90 billion in mid-1983.[191] Debt increased 29-fold over the period and per capita income had only gone up 2.3-fold, from $832 to $1,924.[192] By 1981, debt-service payments equaled 72 per cent of Brazil's exports, up from 51 per cent in 1977.[193] The scale of the disaster is evident in the statistics. Between 1980 and 1983, real GDP fell by at least 8 per cent and per capita GDP by over 15 per cent.[194] The hardest-hit sectors were those producing durable consumer goods and capital goods – industries which were concentrated in the urban parts of Brazil – unemployment in these areas became a serious problem.[195]

With economic recession, the government found that some of its most important sectors of support, such as business and the urban middle classes, were no longer willing to tolerate its rule – they became firm opponents of the regime. These were the sectors of society which had welcomed the military coup in 1964 because they had been alarmed at the populist appeals of Goulart. They had tolerated the military because they benefited considerably from industrialisation. But from the mid-1970s, anti-regime sentiment steadily increased until the economic downturn of the early to mid-1980s solidified opposition to the military. For business interests especially, it was the last straw. The growth of grassroots social movements and the militancy of the new unionism added to the list of groups who now actively resisted military rule. Liberalisation and electoral reforms were the methods the government opted for in order to be able to control the political opening and deflate social and political tensions. The transition however, proved to have a momentum of its own.

By the mid 1980s, the military was anxious to negotiate an exit from power and install a civilian government favourable to its interests. The economic crisis had reached massive proportions and there was mass unrest. In late 1984 and early 1985, major segments of the PDS left and established the Party of the Liberal Front *(Partido Frente Liberal* – PFL), which then allied itself with the PMDB to elect a new opposition president, Tancredo

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[191] Baer, 'Brazil', in Wesson, *op.cit.*, p.63.
[192] Pang, Eul-Soo, 'Debt, Adjustment and Democratic Cacophony in Brazil', in Stallings, Barbara and Robert Kaufman (eds), *Debt and Democracy in Latin America*, Boulder: Westview Press, 1989, p.128.
[193] Frieden, 'The Brazilian Borrowing Experience', *op.cit.*, p.117.
[194] *ibid.*, p.96.
[195] Fausto, *op.cit.*, p.305.

Neves.[196] These segments defected because they were dissatisfied with the nomination of Paulo Maluf as PDS candidate for president. Neves, however, was an acceptable candidate for the military – he assured the top brass that there would be no accountability for past human rights abuses. The outcome of the Electoral College ballot in January 1985 handed Neves a sweeping victory.[197] There were 480 votes for Neves and 180 for Maluf.[198] In March 1985, the PMDB moved into office. However, Neves died before taking office and his place was taken by vice-president José Sarney, one of the defectors from the PDS to the PFL.[199]

The transition to democracy was well underway with this indirect election of a civilian president. Brazil completed the transition with direct elections for president in 1989. These were the first direct presidential elections held since 1960 and 82.1 million voters turned out to cast their votes.[200] The two main candidates were Fernando Collor de Mello from the National Reconstruction Party *(Partido da Reconstrução Nacional* – PRN) and Lula from the PT. Lula came close to winning the presidency, however, he was defeated in the run-off, with 37.8 per cent to Collor's 42.7 per cent of the vote.[201] Although Collor was a well-heeled member of Brazil's elite, this represented the culmination of Brazil's transition to democracy.

Political liberalisation in Brazil was achieved through various legal and institutional means, such as controlling elections and determining a suitable civilian candidate for the presidency in 1985. Moreira Alves and Hutton argue that the regime handed over "a few rings from off its fingers" but kept "all it fingers and claws intact".[202] The military, however, was eventually forced to step down as a result of the combined pressures of the downward economic spiral and the increasingly vocal demands from various sectors in society. The new unionism and opposition from the São Paulo business community applied crucial pressure on the military to accept a degree of democratisation well beyond its first

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[196] Frieden, 'The Brazilian Borrowing Experience', *op.cit.*, p.121.
[197] Roett, 'Brazil's Protracted Transition to Democracy and the Market', in Wise and Roett, *op.cit.,* p.203.
[198] Bruneau, 'Brazil's Political Transition', in Higley and Gunther, *op.cit.*, p.264.
[199] Frieden, 'The Brazilian Borrowing Experience', *op.cit.*, p.121.
[200] Bruneau, 'Brazil's Political Transition', in Higley and Gunther, *op.cit.*, p.277.
[201] Skidmore, *Brazil, op.cit.,* p.214.
[202] Moreira Alves, Márcio and Marjorie Hutton, 'New Political Parties', *Latin American Perspectives*, Vol. 6, No. 4, Autumn 1979, p.114.

concession of mere liberalisation.[203] Once popular pressure became intense, the military sought to negotiate its exit from power from a position of relative strength, so that it could dictate the terms under which Brazil would be transferred to a civilian government. Although it initially held onto power and tried to placate large sectors of the population by attempting to maintain high growth policies despite crippling levels of debt, the costs of running the economy in this way proved too high. Such policies reflect the desire and desperation to maintain power.

THE 'IDEAL' TRANSITION

The Brazilian transition holds a special position in elite-led transitology. It is viewed as having undergone the 'ideal' type of transition from authoritarianism to democracy.[204] One of the definitive characteristics which makes Brazil the 'archetypal case' is the fact that political elites negotiated the terms under which the country was to become a democracy. These elites included the military officers who sanctioned Neves as candidate for president, a politician who had risen through the ranks of the government party, the PDS, until he defected to the opposition. Neves was acceptable to the right and left elements of the political spectrum because of his conservative platform.

Transitology does not completely overlook the role of mass mobilisation in Brazil. However, in keeping with the dominant framework of analysing politics as elite-dominated, the masses play an incidental role. For example, Alfred Stepan argues that no opposition activity in Brazil can account for the regime's initial decision to liberalise.[205] Although important social actors such as labour and industrialists did protest, the pace and scope of the transition was dictated by incumbent elites, up to and including the indirect election of a civilian president.[206] Similarly, Huntington argues that during the democratisation process in Brazil, the control of the government "was never seriously challenged".[207] O'Donnell states in even more explicit terms that the Brazilian popular sector was "weakly organised"

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[203] Hagopian, '"Democracy by Undemocratic Means?"' *op.cit*, p.149.
[204] Hagopian, Frances, 'The Compromised Consolidation: The Political Class in the Brazilian Transition', in Mainwaring, O'Donnell and Valenzuela, *op.cit.*, p.245.
[205] Quoted in *ibid.*, p.245.
[206] *ibid.*
[207] Huntington, Samuel P., 'How Countries Democratise', *Political Science Quarterly*, Vol. 106, No. 4, Winter 1991-1992, p.592.

and "scarcely activated politically".[208] Although some allowance is made for the *diretas já!* campaign, the impact of such opposition is seen as rapidly dissipating.

What is surprising is that there is abundant evidence which refutes the assertions made by elite-led transitologists. This is not to argue that the Brazilian transition was the sole result of popular mobilisation. Rather, the extensive impact of popular mobilisation has been neglected in the attempt to demonstrate that democratisation is essentially about elite actors, their behaviour and decisions. This focus is intentional. Chapter 1 argued that elite-led transitology's preoccupation with elite processes is the result of a normative preference for a conservative democracy. Strategies of compromise at the elite level are meant to isolate radical sectors both at the right and left of the political spectrum.[209] The deliberate exclusion of popular forces, therefore, is considered favourable because it facilitates the installation of a moderate democratic government.

The military did retreat because of electoral losses, but it was not the overriding factor as elite-led transitology would lead us to believe. The Brazilian transition did not follow a natural or predictable path. Democratisation occurred through a mixture of concession from above and struggle from below.[210] The combined impact of the economic crisis and internal splits within the military created a situation where the costs of staying in power were calculated as being too high. Popular mobilisation (particularly of the labour movement) placed the regime on the defensive and forced its retreat from power. The ways in which the oppositional activities of the new unionism contributed to the transition to democracy will be examined in chapter 5.

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[208] O'Donnell, 'Introduction to the Latin American Cases', in O'Donnell, Schmitter and Whitehead, *Transitions from Authoritarian Rule*, Vol. 2, *op.cit.*, p.7.
[209] Bosci, Renato R., 'Social Movements, Party System and Democratic Consolidation: Brazil, Uruguay and Argentina', in Ethier, *op.cit.*, p.219.
[210] Munck, *op.cit.*, p.150.

CHAPTER 5: THE BRAZILIAN LABOUR MOVEMENT

INTRODUCTION

The 'new unionism' *(novo trabalhismo)* exploded onto the political scene in 1978. The labour movement in Brazil occupied a subordinate position in the state structure. Union leaders *(pelegos)* were part of the apparatus of control – their bureaucratic positions distanced them from the everyday concerns of the shop-floor. Brazil's military regime failed to establish institutional channels for the expression of dissent. The depoliticisation of the organised working class was the main goal. To prevent labour militancy, the military relied on force combined with a rigidly controlled labour system.

This situation, however, changed in the late 1970s. Unleashing the pent-up demands of the working class, a wage campaign in 1977 was the catalyst for a new unionism. One of its most important aspects was rank-and-file mobilisation – this highlighted the increased assertiveness of the working class. The leadership role played by labour in organising and mounting collective resistance to the authoritarian regime was particularly troubling for it. Similarly to Mexico, this was not just a sporadic illustration of discontent, but a widespread systemic challenge which initiated the sequence of events leading to the military's exit from power. Labour's activities were crucial in forming civil society's demands for an end to authoritarianism and in the general push for democratisation during the *abertura.* Another significant aspect of the new unionism was the creation of a genuine leftist party, the PT, in 1980.

METHODS OF LABOUR CONTROL UNDER THE MILITARY

Despite an increase in the levels of union activism in the later years of Brazil's democratic period, the labour movement was unable to mount successful opposition to the military coup. State intervention in the unions clearly demonstrated the new regime's attitude towards worker activism. Leftist leaders were removed and replaced by *pelegos*, many

unions were totally outlawed and dissent was forcibly suppressed.[1] Between 1964 and 1979, there were a total of 1,202 interventions in trade unions, 78 cases of legal removal from office *(destituição)*, the cancellation of 31 different elections and of the registration of 254 trade unions.[2] The military extended its reach into the labour arena by adding further coercive instruments. Strike laws were instituted to check the level of disruption in the economic sphere. Decree-Law Number 4330 (DL 4330), passed by the military on 1 June, 1964, detailed the situations under which workers could legally declare a strike.[3] Strikes were prohibited by employees in 'essential services', defined as water, energy, light, gas, communications, transport and others.[4] The terms under which strikes could be declared legal however, were so restrictive as to preclude most reasons for protest.

The DL 4330, however, was not motivated solely by political factors – the military had another agenda – the rapid industrialisation of Brazil. This required strict worker adherence to economic targets. A state-controlled wage policy was put into force almost immediately. After 1964, the Finance Ministry determined wage increases in the public and private sectors according to a set formula based on government figures.[5] Wages were readjusted annually, taking into account anticipated inflation and estimated productivity increases.[6] Referred to as the 'belt-tightening laws', collective bargaining over salaries was prohibited, with wage increases dictated by a simple executive decree.[7] Most important was the calculation for the minimum wage which was a benchmark for all wages.[8]

An integral part of the government's program of economic development was the extensive security apparatus. Through the systematic application of legal and extra-institutional measures, the tentacles of military surveillance reached all corners of society. Adding to the

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[1] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.80.
[2] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.46.
[3] Moreira Alves, Maria Helena, 'Mechanisms of Social Control of the Military Governments in Brazil, 1964-1980', in Ritter, Archibald R.M. and David H. Pollock (eds), *Latin American Prospects for the 1980s: Equity, Democratisation and Development*, New York: Praeger, 1983, p.272.
[4] For a full list of 'essential services' see Moreira Alves, 'Mechanisms of Social Control of the Military Governments in Brazil,' in Ritter and Pollock, *op.cit.*, p.272.
[5] Hunter, *op.cit.*, pps.76-77.
[6] *ibid.*, p.77.
[7] Moreira Alves, 'Mechanisms of Social Control of the Military Governments in Brazil,' in Ritter and Pollock, *op.cit.*, p.272; Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.47.
[8] Pastore, José and Thomas E. Skidmore, 'Brazilian Labour Relations: A New Era?' in Juris, Hervey, Mark Thompson and Wilbur Daniels (eds), *Industrial Relations in a Decade of Economic Change*, Madison, Wisconsin: Industrial Relations Research Association, University of Wisconsin, 1985, p.87.

various Institutional Acts, the National Security Law was passed on 29 September, 1969 – Decree-Law Number 898 (DL 898). Hardliners in the military argued that the national security of Brazil was under threat from domestic leftist forces. DL 898 made it illegal to strike, controlled the media and other information networks and prohibited specific political parties.[9] Government workers could receive lengthy prison terms for promoting strikes in 'essential' or public services.[10] These methods of control set the stage for the economic miracle and the harshest period of military rule.

BACKGROUND TO THE EMERGENCE OF THE NEW UNIONISM

a) CHANGES IN THE BRAZILIAN ECONOMY

Brazil's industrial structure was transformed in fundamental ways by the economic miracle. The emphasis on industrially-driven development created a large and more belligerent workforce concentrated in the most dynamic industries. Between 1960 and 1980 the number of people employed in the secondary sector (including manufacturing and construction) grew from 2,940,242 to 10,674,977.[11] By 1974, because of dramatic growth in modern industrial sectors, especially consumer durables and capital goods industries, metalworkers directly engaged in production numbered 943,000 and constituted about one-third of the manufacturing labour force of 2.8 million.[12] They became the most serious threat to the government's system of labour control.

Most important was the Metalworkers Union of São Bernardo do Campo. Known as the 'ABCD' region of metropolitan São Paulo, the centre of the new unionism was in the towns of Santo André, São Bernardo do Campo, São Caetano and Diadema. It contained the largest concentration of industrial workers in Brazil.[13] The largest multinational companies

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[9] Moreira Alves, Maria Helena, *State and Opposition in Military Brazil*, Austin: University of Texas Press, 1985, p.118.
[10] *ibid.*
[11] Keck, Margaret E., 'The New Unionism in the Brazilian Transition', in Stepan, Alfred (ed), *Democratising Brazil: Problems of Transition and Consolidation*, New York: Oxford University Press, 1989, p.259.
[12] Erickson and Middlebrook, 'The State and Organised Labour in Brazil and Mexico', in Hewlett and Weinert, *op.cit.*, p.247.
[13] Alvaro Moisés, José and Claudia Maria Pompan, 'What is the Strategy of "New Syndicalism"?' *Latin American Perspectives*, Vol. 9, No. 4, Autumn 1982, p.57.

were located in the ABCD region, especially in the town of São Bernardo do Campo – these included Ford, General Motors, Volkswagen, Mercedes-Benz, Fiat and Saab-Scania. These companies employed the majority of motor industry workers. Just three large companies – Ford, Volkswagen and Mercedes-Benz – accounted for 80,000 workers out of the total of 133,000.[14] There were also 10 other firms employing 18,000 in the other metal-mechanical sectors.[15] Working class concentrations were found in Osasco and Quarulhos in the greater São Paulo area and in Betim, Contagem and Monlevada in the state of Minas Gerais.[16]

As a leading sector in the growth model, the metalworking industry played a critical role in stimulating the economic miracle – because of its size and interdependence with the rest of the economy, the industry had a profound impact on the whole course of development.[17] Between 1968 and 1974, metal industry output grew at a compound annual rate of 22.0 per cent, over twice as fast as the 11.2 per cent for the economy as a whole.[18] Many workers in the metallurgical sector were young and less likely to be constrained by traditional forms of control. Their strategic employment, technical skills, geographic concentration and lack of loyalty to old parties constituted a novel challenge to the regime.[19]

Despite the fact that the model of economic growth was touted by the regime as an unqualified success, the metalworkers did not receive many of the benefits associated with the miracle. Workers in these industries experienced the same decline or stagnation of real wage rates as other sections of the working class, despite sharp increases in productivity and profits.[20] A long list of grievances also contributed to the feeling amongst many workers that their livelihoods were being sacrificed for the sake of speedy industrialisation. These included long hours without overtime pay, unsafe working conditions, layoffs, a lack of job security, and no right to strike. Workers, however, were not the only social group

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[14] *ibid.*
[15] Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, p.52.
[16] Alvaro Moisés and Pompan, 'What is the Strategy of "New Syndicalism"?' *op.cit.*, p.57.
[17] Mericle, Kenneth S., 'The Political Economy of the Brazilian Motor Vehicle Industry', in Kronish, Rich and Kenneth S. Mericle (eds), *The Political Economy of the Latin American Motor Vehicle Industry*, Cambridge, Massachusetts: MIT Press, 1984, p.1.
[18] *ibid.*
[19] Drake, Paul W., *Labour Movements and Dictatorships: The Southern Cone in Comparative Perspective*, Baltimore: The Johns Hopkins University Press, 1996, p.84.
[20] Humphrey, John, 'Auto Workers and the Working Class in Brazil', *Latin American Perspectives*, Vol. 6, No. 4, Autumn 1979, p.73.

who suffered from the military's economic policies. By the late 1970s, São Paulo featured dense networks of neighbourhood associations and groups attached to the progressive section of the Catholic Church, which together formed a grassroots base for opposition to the regime by working and poorer people.[21] Brazil's economic transformation gave industrial workers the means necessary to assert themselves and to forge alliances with those who had also been neglected in the pursuit of rapid industrialisation.

b) RANK-AND-FILE ORGANISATION: THE NEW UNIONISM EMERGES

Wide-ranging controls placed on the working classes did not completely eradicate labour activism during the economic boom. The metallurgical industry in particular was rocked by work stoppages seeking wage increases. By mid-1973, there were signs that large-scale resistance was building, with a wave of strikes at the Vilares steel plant and the Volkswagen and Mercedes-Benz car factories in São Paulo.[22] Throughout the 1970s, worker dissent was expressed in the factories through forms of struggle such as slowdowns in the production line and stopping different sectors of the assembly line at different times.[23]

Rank and file organisations, known as factory commissions *(comissões de fábrica)* began to emerge. Dedicated to secretly building a network of resistance within factories from the grassroots, these commissions had to mobilise clandestinely inside the work plants. They eventually reached such a level of underground growth that they became practically parallel trade unions. Factory committees also began to infiltrate the official trade unions, slowly developing union opposition groups that fought government-controlled officials in internal union elections. Known as the Union Opposition *(Oposição Sindical)* movement, it was an important force in the struggle to break free from state control, winning elections in important trade unions. Most of their efforts were devoted to reversing state interventions, winning elections in unions and forming new associations. A group of new and aggressive labour leaders also emerged, known as authentic unionists *(autênticos)*. The president of the

[21] Guidry, 'Not Just Another Labour Party', *op.cit.*, p.88.
[22] Munck, 'The Labour Movement in Argentina and Brazil', in Boyd, Cohen and Gutkind, *op.cit.*, p.125.
[23] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.51.

Metalworkers Union of São Bernardo, Lula, was part of the *autênticos* movement.[24] However, the range of repressive measures legal and otherwise used by the military, ensured that protest was not sustained until workers found an outlet for the collective expression of their grievances – the wage campaign. This campaign took advantage of the *abertura* initiated by the military in the mid-1970s and capitalised on the internal divisions within the military coalition by publicly expressing their frustration and resentment towards authoritarian rule.

c) LIGHTING THE FUSE: THE WAGE CAMPAIGN

In August 1977, the government admitted that it had manipulated the officially accepted rates of inflation for 1973 and 1974.[25] Such a striking admission provided the working class with ammunition. Confirmation of the military's policy was provided through a study conducted by the Inter-Union Statistical Department *(Departamento Inter-sindical de Estudos Estatísticos e Socio-Económicos* – DIEESE). It calculated that during the period immediately following the implementation of the 'belt-tightening laws', many workers suffered salary losses of more than 30 per cent.[26] Salary loss was particularly severe during the 'miracle' years of high economic growth in 1973 and 1974.[27] The minimum salary had been decreed by the federal government in Brazil since 1959. Taking 1959 as the base year, DIEESE published a study analysing the yearly loss of real purchasing power of the minimum salary – by 1976, the minimum salary had only 31 per cent of the purchasing power it had in 1959.[28] Nearly all workers witnessed their position in the income structure deteriorate relative to the upper classes.[29]

Leading the way in the sustained attack on the government was the Metalworkers Union of São Bernardo. Known as the 'wage recovery campaign' *(reposição salarial)*, or the 'campaign of the 34.1 per cent', the metalworkers immediately held assemblies demanding

[24] The above account is from Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, pps.49-50.
[25] Fausto, *op.cit.*, p.303.
[26] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.47.
[27] *ibid.*
[28] *ibid.*
[29] Mericle, Kenneth S., 'Corporatist Control of the Working Class: Authoritarian Brazil since 1964', in Malloy, James M (ed)., *Authoritarianism and Corporatism in Latin America*, London: University of Pittsburgh Press, 1977, p.306.

the replacement of lost wages.[30] The *Oposição Sindical* militants and the *autênticos* mobilised their members in a series of demonstrations and rallies to attract public attention – this developed into one of the first nationwide union activities to break the silence imposed by the military's violent repression.[31] The movement to recover wages created a springboard from which the working class could voice their demands and strike at the very heart of the military dictatorship – it set the stage for the one of the most dramatic confrontations in Brazilian history.

THE NEW UNIONISM

a) 1978

Brazil's *novo sindicalismo* represented an important turning point in the history of labour-state relations. It was a movement that dealt a major blow not only to state authority, but to the rapid development strategy. Resistance to the military regime was manifested in major, crippling strikes over several years involving millions of workers. Through their activism, workers sought trade union autonomy and to change the government's wage policy. They also demanded the right to have direct bargaining with employers, the right to strike and to coordinate inter-union activities without prior government approval.[32] Specific social rights, such as job security and the limitation of working hours was integrated with the struggle for wage increases and better living conditions.[33] In various ways, the movement was able to raise these issues and defy the elaborate system of controls which had been in place for over 40 years.

On 12 May 1978, the strike began with a worker sit-down action. At the Saab-Scania truck and bus factory in the industrial suburb of São Bernardo do Campo, 2500 of Lula's metalworkers punched their time clocks, assumed their work positions and sat down,

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[30] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.82.
[31] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.50.
[32] Moreira Alves, 'Mechanisms of Social Control of the Military Governments in Brazil,' in Ritter and Pollock, *op.cit.*, p.278.
[33] Alvaro Moisés and Pompan, 'What is the Strategy of "New Syndicalism"?' *op.cit.*, p.67.

refusing to start their machines.[34] This was a shrewd tactic, as pickets outside the plant would have made it easier for the police to attack and arrest them – plant management was not prepared to drag the workers away from their machines. It did not take long for the movement to spread to other plants. In the next four days, several large factories were crippled by worker stoppages, including Mercedes, Volkswagen, Ford Perkins Engines and Chrysler. Within 10 days, the strike action had spread to 90 firms in greater São Paulo.[35]

Bypassing state permission, employers decided to bargain directly with the workers and as a result, on 31 May, the metalworkers received an extra 11 per cent one-time pay increase to adjust their base pay for the past understatement of inflation.[36] A show of strength by the rank and file assisted by the union was able to secure wage raises and force direct negotiations between firms and their employers.[37] The two-week strike against the auto industry and especially the subsequent direct bargaining was heavily reported by the press, much of which depicted the movement as the workers' response to General Geisel's promised liberalisation.[38] Even though this was prohibited in practice, the unions began to consult with employers without the interference of the government or Labour Courts.[39] Not only was it a crucial accomplishment, but it set an important precedent for unions all over the country.

Metalworkers throughout the state of São Paulo continued to disrupt production with work stoppages. For the next two months, 213 engineering factories in São Paulo state were affected by strikes.[40] Factory commissions were established in all the large firms, including Massey-Ferguson, Caterpillar, Philco, Villares, Siemens and General Electric.[41] At Ford, a stoppage lasting over a week affected the entire plant, and the Chrysler factory was paralysed – this provoked a general period of labour unrest which spread to other large firms in the metal-mechanical sector such as Phillips and Pirelli which were forced to

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[34] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.205.
[35] The above account is from Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.205.
[36] *ibid.*, p.205.
[37] Humphrey, John, 'Labour in the Brazilian Motor Vehicle Industry', in Kronish and Mericle, *op.cit.*, p.117.
[38] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.205.
[39] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.52.
[40] Beecham, David and Ann Eidenham, 'Beyond the Mass Strike: Class, Party and Trade Union Struggle in Brazil', *International Socialism*, Vol. 2, No. 36, Autumn 1987, p.22.
[41] *ibid.*

concede a 10 per cent wage rise or more.[42] Smaller firms and other sectors such as chemicals, textiles, ceramics and petroleum were also affected.[43] In Santo André and São Bernardo, 82 per cent and 72 per cent respectively of union members participated in strikes.[44] In most cases, strikes were spontaneously organised by workers in the factories and *auténtico*-led unions accepted responsibility in some instances – the Metalworkers Union of São Bernardo was a prominent example of a union which played a key role in leading and co-organising strikes elsewhere.[45]

From factory to factory, the 1978 strikes followed a similar pattern. Organised by their factory committees, workers made demands specific to their workplace. Official unions adopted a hands-off position in order to prevent the government from charging them with organising an illegal strike as grounds for intervention. Only after employers requested that the union represent workers did union leaders co-ordinate the factory-level actions and negotiate with employers' organisations – again, independently of the state.[46] The new unionism sought to combine grassroots mobilisation with institutional action at the official union level.[47] When a specific union local refused to aid the strikers, members of the Union Opposition often took over – this process greatly increased the legitimacy both of the rank-and-file militants of the Union Opposition and of their *auténtico* leaders.[48]

Several union leaders such as Lula, Olívio Dutra from the Porto Alegre bank workers (Rio Grande do Sul), João Paulo Pires Vasconcelos from the metalworkers in João Monlevade (Minas Gerais) and Arnaldo Gonçalves of the Metalworkers' Union of Santos (São Paulo) became a consulting squad, helping in some cases to negotiate between union leaders and their members.[49] They became known as the *intersindical volante,* or 'flying inter-union organisation' – from 1978, it entered into contact with unions all over Brazil to try to unify

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[42] Humphrey, John, 'Labour in the Brazilian Motor Vehicle Industry', in Kronish and Mericle, *op.cit.*, pps.116-117; Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, p.166.
[43] Humphrey, John, 'Labour in the Brazilian Motor Vehicle Industry', in Kronish and Mericle, *op.cit.*, p.117.
[44] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.106.
[45] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.52.
[46] The above account is from Erickson and Middlebrook, 'The State and Organised Labour in Brazil and Mexico', in Hewlett and Weinert, *op.cit.*, pps.249-250.
[47] Barros, Mauricio Rands, *Labour Relations and the New Unionism in Contemporary Brazil*, New York: St. Martin's Press, 1999, p.30.
[48] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.52.
[49] Keck, Margaret E., *The Workers' Party and Democratisation in Brazil*, New Haven: Yale University Press, 1992, p.65.

demands and struggles.[50] These leaders publically challenged the government's tough stance towards worker dissent. Lula was regularly called upon to help organise strikes in other states – this helped consolidate his leadership role.[51] As a result of the extensive links between unions, strikers were able to better coordinate their demands and actions.

The widespread political mobilisation set in motion by the new unionism could not be contained initially by the employers, *pelegos* or the government. It contributed to the emergence of a political consciousness in many poorer and working-class areas of Brazil. In particular, the new unionism came to symbolise the struggle against authoritarianism and oppression. Disputes originated in the factories, but once they spilled out into the streets, they gained popular support. Labour also received favourable press treatment – workers were portrayed as having legitimate concerns. The new unionism sought to link economic and political issues in its opposition to the military regime – it combined economic demands with calls for democratisation and an end to authoritarianism. The political space opened up by the *abertura* in 1974 was utilised by the labour movement to widen the space for political protest. Serious worker disturbances extended beyond the metallurgical sector – the strike movement spread to schools, hospitals, banks and other public service sectors.[52] By the end of 1978, a total of 539,037 workers had participated in strikes.[53] Despite the fact that the government did not react to worker protests in 1978 with full scale repression, it was still determined to prove that it was firmly in control and that nothing could destabilise its grip over the liberalisation process.

Employing one of its preferred instruments for curbing worker protest, the government introduced a new law on 4 August 1978 – Decree Law number 1632 (DL 1632). The definition of the term "essential" was extended to include sectors such as banks, port workers, hospitals and public services among others.[54] It also included an open ended clause allowing the president to prohibit strikes by decree in additional areas to those already deemed 'essential'.[55] DL 1632 raised the penalties for strikes in essential activities

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[50] *ibid.*, pps.76-77.
[51] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.52.
[52] Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, p.167.
[53] Moreira Alves, *State and Opposition in Military Brazil, op.cit.*, p.196.
[54] Sader, Emir and Kevin Silverstein, *Without Fear of Being Happy: Lula, the Workers' Party and Brazil*, London: Verso, 1991, p.46.
[55] Hunter, *op.cit.*, p.79.

to include a 30-day suspension, which could be followed by dismissal with just cause.[56] Further penalties included indictment under the National Security Law which could carry a sentence of up to 20 years in prison.[57] The Decree Law was an ad hoc response to political and social dissent. Despite the harsh nature of the military's reaction, the new unionism was preparing for its most explosive confrontation to date.

b) 1979

1979 proved to be one of the most momentous years for the labour movement and for Brazilian society in general – it was a year which evidenced the largest number of strikes in the country's history. The metalworkers took advantage of the political liberalisation to increase their protest and test the limits of the new president, Figuereido. However, employers and the government were better prepared to face worker dissent and despite significant gains, the CLT and the legal structure of control were still firmly in place.[58] When their annual working agreement expired in March 1979, Lula and other union leaders planned for a different strategy to that adopted in 1978. After employers rejected a 78 per cent wage increase and demands to legally recognize the non-official union representatives who had emerged in competition with the *pelegos,* 160,000 ABCD metalworkers went on strike on 13 March 1979.[59] The next day, workers at the Ford plant walked out and this was followed by the Volkswagen factory, where thousands of workers formed a picket to block the main entrance.[60] Workers responded to the strike call in Santo André, São Caetano and in large firms in Campinas and São José dos Campos – Mercedes, General Electric, Cobrasma, Embraer and others.[61] From the beginning, the strike was centred in São Bernardo, and above all on the large auto plants.[62]

The main wage demands were discussed in the neighbourhoods of São Bernardo where most of the metalworkers lived, at meetings attended by union activists, students and

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[56] Moreira Alves, *State and Opposition in Military Brazil, op.cit.*, p.197.
[57] *ibid.*, p.198.
[58] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.212.
[59] *ibid.*, p.213.
[60] Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, p.180.
[61] *ibid.*
[62] *ibid.*, p.181.

housewives – a significant cross-section of the local population – in churches and rooms belonging to the Catholic CEBs.[63] Because the metalworkers raised issues involving the poor, a large sector of the population identified with many of their concerns.[64] Pickets were organised at factory gates and at bus stops which were important strategic locations.[65] It was a tactic which resulted in more rank-and-file involvement.[66] Almost all the large and medium factories had their own bus service to bring in employees from their homes to the workplace.[67]

In order to stop the protestors, close to 2000 armed police along with dogs and armoured cars, moved in at the Volkswagen factory which had the largest number of protestors in the ABCD region.[68] The union responded by organising mass pickets on the roads leading to the plant and then at the pick-up points for the work buses.[69] By the end of the first week, the Volkswagen plant was still virtually paralysed, yet, in spite of the propaganda campaign on television and radio and the use of police to intimidate picketers, the large firms in Santo André and São Bernardo were at a halt.[70] The momentum of the strike was kept up by mass meetings of workers and the activities of the union leaders and wage committees. Wage committees were made of 30 to 40 militants who organised pickets, meetings and helped the union directors. Regular mass meetings were held in which tens of thousands of workers participated.[71]

The strike movement soon took over São Bernardo itself – it developed solidarity with important segments of civil society which reinforced the legitimacy of the workers' demands. São Paulo city councilman Paulo Vidal successfully introduced a resolution supporting the strike. Opposition congressmen and the local bishop, Cláudio Hummes, joined in the picketing outside the factories. A total of 5000 people attended a solidarity

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[63] Bava, Sílvio Caccio, 'Neighbourhood Movements and the Trade Unions: The São Bernardo Experience', in Kowarick, Lúcio (ed), translated by Fisher, William H. and Kevin Mundy, *Social Struggles and the City: The Case of São Paulo*, New York: Monthly Review Press, 1994, p.205.
[64] *ibid.*
[65] *ibid.*
[66] Beecham and Eidenham, 'Beyond the Mass Strike', *op.cit.*, p.24.
[67] Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, p.206.
[68] Beecham and Eidenham, 'Beyond the Mass Strike', *op.cit.*, p.24; Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, p.181.
[69] Beecham and Eidenham, 'Beyond the Mass Strike', *op.cit.*, p.24.
[70] Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, pps.181-182.
[71] The above account is from Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, pps.181-182.

rally in São Paulo.[72] When police repression and harassment intensified, Bishop Hummes spoke at a union assembly to offer his backing: "The Church supports the strike because it considers it just and peaceful and hopes that workers will remain united around their leadership".[73] The mayor of São Paulo opened the doors of the Vila Euclides soccer stadium for the metalworkers to hold their huge strike meetings, attended by up to 80,000 people.[74]

On 21 March, Labour Minister Murilo Macedo ruled that talks should be held between labour and capital.[75] Employers were determined to take a tough line this time and believed that the government would back them up – they refused to bargain until the strikers returned to work.[76] Negotiations continued throughout the strike, and after 10 days, with the threat of intervention hanging over them, the union leaders agreed to put forward a proposal for a return to work pending further negotiations over a 45-day period – this offer was rejected by mass meetings of over 90,000 workers.[77] Brazil's auto industry, then the largest in the developing world and paralysed by a strike clearly illegal under the labour laws, presented a challenge to the government that was obvious to all.[78] The Regional Labour Court, which heard the salary dispute, rendered a decision which upheld management's offer – when strikers refused to accept the verdict, the government intervened on March 23, declaring that the ABCD unions were engaged in an illegal strike and arrested Lula, along with 200 other people.[79] Military police surrounded union headquarters in São Bernardo, Santo Andre and São Caetano, and closed them down – the government declared the soccer stadium off-limits to strike assemblies.[80]

Refusing to admit defeat, the strike movement intensified in strength and continued to voice the collective frustrations of the popular classes. Strikers stood firm, demanding immediate

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[72] The above account is from Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, pps.206-207.
[73] Sader and Silverstein, *op.cit.*, p.43.
[74] Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, p.207.
[75] Sader and Silverstein, *op.cit.*, pps.43-44.
[76] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.213.
[77] Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, p.183.
[78] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.213.
[79] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.106; Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.213.
[80] Sader and Silverstein, *op.cit.*, p.44.

negotiation.[81] On March 24, an estimated 20,000 people gathered in the centre of São Bernardo.[82] Strike funds were non-existent, so workers had to depend not only on relatives and friends, but on a sympathetic public, especially among the Catholic clergy and laymen who donated money, food and time to keep the protests alive. The May strikes demonstrated that the new unionism had spread to become a broad struggle against the dictatorship. The Church, led by the cardinal and archbishop of São Paulo, Dom Paulo Evaristo Arns, provided meeting places and moral support. As the strike dragged on, however, the workers' position grew weaker.[83] They were forced to accept the earlier offer of a compromise with a truce of 45 days, during which negotiations would take place.[84] Employers agreed that workers would be paid for the days on strike and there would be no victimisation, including dismissals, for 120 days.[85] The intervention against the union would be partially lifted. About 70,000 workers gathered in the Vila Euclides soccer stadium to hear the proposals and Lula was allowed to address the meeting. Workers accepted the truce, as union leaders were under enormous pressure from the PMDB, other unions and the church to come to an agreement. After two weeks, the strike had ended.

The situation became extremely tense however, after workers returned to the factories and found themselves facing retaliation from employers. At Saab-Scania, management refused to pay for the days on strike and Volkswagen withdrew its early morning bus service. In each case, workers responded with protest stoppages and sit-down strikes. At the May Day demonstration (10 days before the end of the 45-day truce) there were 150,000 people in the streets of São Bernardo.[86] Hundreds of thousands crammed into the Vila Euclides soccer stadium carrying placards and banners.[87] Public servants, students, people from the amnesty movement and neighbourhood associations were united in popular demonstration.[88] The strength of the protests forced the military to revoke its intervention of the Metalworkers' Union of São Bernardo and return its leadership to those who had

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[81] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.213.
[82] Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, p.183.
[83] The above account is from Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.213.
[84] Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, p.184; Beecham and Eidenham, 'Beyond the Mass Strike', *op.cit.*, p.25.
[85] Beecham and Eidenham, 'Beyond the Mass Strike', *op.cit.*, p.25.
[86] The above account is from Beecham and Eidenham, 'Beyond the Mass Strike', *op.cit.*, p.25.
[87] Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, p.207.
[88] *ibid.*

been legitimately elected by the rank-and-file – this was a significant achievement for the new unionism in its search for autonomy from the state.[89]

A settlement was finally reached when most of the metalworkers' unions, led by the Federation of São Paulo Metalworkers, accepted an offer of a 63 per cent wage rise for workers earning between 3 and 10 times the minimum wage – this represented a wage increase of 6 per cent over the March 1978 settlement for most workers in the industry.[90] Lula decided that it was the best offer possible under the circumstances and convinced a mass meeting of 90,000 workers to accept it.[91] The Minster of Labour soon announced Lula's release and along with other purged leaders, was allowed to return to office, removing the intervention.[92] Government officials assumed that they would be compromised in the eyes of their rank and file, however, the assumption was false – the May Day rally brought an overwhelming show of support for Lula.[93]

This was not just a blue-collar working class phenomenon, although it originated in the factories, the new unionism spread to also include white-collar workers. Many other social groups had been adversely affected by the government's economic program and repression served to alienate many more people. The example set by the metalworkers served as an impetus for others to initiate work stoppages. Around 30 strikes involved key economic sectors such as urban transportation, ports, steel and trucking, whilst in industries such as banking, telecommunications and electricity, the mere threat of industrial action was sufficient to alarm employers and the government.[94] Government workers flouted the law prohibiting strikes in the public sector – São Paulo state civil servants walked out, as did their counterparts in the state of Rio Grande do Sul.[95] The breakdown of strikes shows how metalworkers played a prominent role in the opposition to the government. In 1979, there were 27 strikes in the metallurgical sector, with 958,435 strikers.[96] The primary and secondary teaching sector experienced the second highest rate of strike activity and number

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[89] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.53.
[90] Humphrey, *Capitalist Control and Workers' Struggle in the Brazilian Auto Industry, op.cit.*, pps.178,186
[91] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.213.
[92] *ibid*; Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.106.
[93] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, pps.213-214.
[94] Pastore and Skidmore, 'Brazilian Labour Relations' in Juris, Thompson and Daniels, *op.cit.*, pps.90-91.
[95] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.215.
[96] Moreira Alves, *State and Opposition in Military Brazil, op.cit.*, p.196.

of strikers, with 16 strikes involving 752,000 teachers.[97] This was remarkable given that historically, the teaching sector was characterised by low levels of labour conflict and strict government controls.

Even more remarkable were the number of public sector and bank employees who participated in industrial action – in the former there were 5 strikes involving 387,998 and in the latter, 4 strikes with 105,000.[98] Only a year earlier, laws had been further tightened to prevent strikes from disrupting 'essential' sectors – DL 1632 increased the penalties for those involved in 'illegal' strikes in the banking and public service sector yet in spite of such restrictions, hundreds of thousands of white-collar workers took part in work stoppages. The DL 4330, a law which had been passed by the military after only two months in power, prohibited strikes in urban transport and yet, in 1979, there were 19 strikes with 443,160 workers.[99] Smaller stoppages were relatively peaceful but police repression and intervention against the unions occurred in every large strike.[100] Pressure was placed on the government at all levels, through demonstrations, mass rallies and other organised protests.[101] In total, almost 3.2 million workers went on strike during 1979.[102]

Through mobilisation, union leaders learned that grassroots organisation was fundamental to achieve popular support.[103] Challenging the system of labour relations and bypassing its convoluted mechanisms of control was, therefore, highly subversive. In contrast to the pre-1964 period, the 'authentic' labour leaders did not gather their strength from positions offered in the state – they gained it through organising workers on the shop floor.[104] One of the major weaknesses of the labour movement during the democratic period and under the military was the lack of genuine representation. Union activity reinforced the shop-floor link between worker and union representative.[105] The new unionism, therefore, was characterised by close links to the workers at the firm level and a very activist posture in

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[97] *ibid.*
[98] *ibid.*
[99] *ibid.*
[100] Beecham and Eidenham, 'Beyond the Mass Strike', *op.cit.*, p.26.
[101] Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, p.202.
[102] Fausto, *op.cit.*, p.303.
[103] Salewicz, Stephen, 'Corporatism and the Brazilian Labour Movement', *Latitudes*, Vol. 2, 1992-1993, p.7.
[104] Erickson, Kenneth Paul, 'Populism and Political Control of the Working Class in Brazil', in Nash, June, Juan Corradi and Hobart Spalding Jr (eds), *Ideology and Social Change in Latin America*, New York: Gordon and Breach, 1977, p.217.
[105] Skidmore, *The Politics of Military Rule in Brazil, op.cit.*, p.204.

collective bargaining.[106] Labour activity posed a strong challenge to *pelegos*, confronting them with the possibility of losing their constituencies if they failed to support the new militancy.[107]

As a result of the new unionism, important changes occurred in labour relations. An unofficial system of independent relations between employers and workers parallel to the corporative system started to form roots.[108] It increased space for trade union organising inside the plants.[109] Years of repression and neglect meant that for many workers, their new found militancy was not merely about attaining wage increases – it represented an affirmation of a new collective identity.[110] This was also a movement which sought to reclaim the dignity and self-worth of a class which had been forced to bear the burdens of enforced industrialisation. The labour movement forced its presence onto the economic and political stage by bringing the most modern sectors of the economy to a virtual standstill and forcing the government to deal with its concerns.

c) 1980 -1985

The early 1980s marks a period when labour militancy was curbed and repression was unleashed. President Figuereido was determined to maintain firm control of the transition in order to counter the strength of the labour movement and civil society. The government would no longer tolerate the political threat posed by the upsurge in worker and social mobilisation. When it came time to review their employment contract in 1980, the Metalworkers Union of São Bernardo prepared for another fight. It decided not only to press for salary increases but for improved safety conditions, a reduction of the work week from 48 to 40 hours, double pay for overtime and guarantees against workers being dismissed for participation in strikes.[111] There were over 300 meetings per factory to set up the basic organisational structure for the strike – workers elected a mobilisation committee made up of 400 representatives from all major business corporations which worked side by

[106] Amadeo, Edward J. and José Márcio Camargo, '"New Unionism" and the Relations among Capital, Labour and the State in Brazil', in Schor, Juliet and Jong-Il You (eds), *Capital, the State and Labour: A Global Perspective*, Aldershot: Edward Elgar, 1995, p.168.
[107] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.84.
[108] Cohen, *The Manipulation of Consent, op.cit.*, p.114.
[109] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.52.
[110] Smith, 'The Political Transition in Brazil', in Baloyra, *op.cit.*, p.202.
[111] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.106.

side with the leadership board and a union salary committee of 16 members in charge of running the strike.[112] Discussion about what form the action should take went on in parish halls, neighbourhood associations, shantytowns and the CEBs.[113]

On 1 April, 200,000 metalworkers from unions in all four of the ABCD cities went on strike.[114] Although the strike began in the ABCD area, it received the support of metalworkers in the industrial districts of the interior of São Paulo as well.[115] Between 40,000 and 80,000 workers regularly turned out for union assemblies in the local soccer stadium, even in the face of such explicit threats as flights by air force helicopters pointing machine guns at the assembled crowds.[116] Even with the threat of force so vividly on display, ordinary Brazilians still continued to defy state authority. Figures put out by the union claimed that in total, 330,000 workers went out on strike, while even the government put the figure at 205,000 – the strike embraced not only the ABCD suburbs, but nearly 40 other cities throughout São Paulo state, making it the largest labour action in Brazil in 15 years.[117]

In response to popular demonstrations against the government, the Labour Minister ordered the São Bernardo Metalworkers Union closed and stripped Lula of its presidency on 17 April – within days, 1,600 union activists, including Lula, had been arrested.[118] Vila Euclides soccer stadium was again closed off to the strikers and the military declared the workers represented an illegal "pressure group", forbidding companies to negotiate.[119] The tough stance was intended to demonstrate that despite concessions, the government would not allow such an open and widespread threat any longer. It encouraged companies to reject worker demands and asserted that the strike was political in nature, which meant a declaration of illegality.[120] Despite support from the São Paulo Archdiocese, the strike was declared illegal by the Regional Labour Court and the union suffered intervention.[121] Union

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[112] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.54.
[113] Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, p.209.
[114] Sader and Silverstein, *op.cit.*, p.45.
[115] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.54.
[116] Erickson and Middlebrook, 'The State and Organised Labour in Brazil and Mexico', in Hewlett and Weinert, *op.cit.*, p.247.
[117] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, pps.106,83.
[118] Sader and Silverstein, *op.cit.*, p.45.
[119] *ibid.*
[120] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.83.
[121] *ibid.*

headquarters were subsequently taken over by the military police and the army. Lula and 18 other top leaders were charged under the National Security Law with the crime of organising an illegal strike.[122]

Divisions in the military between the hard-line and soft-line factions led to internal disputes over how to handle popular protest. Faced with inflation and a mounting economic crisis, the hard-liners won out. Union halls were closed so workers met at the main São Bernardo church, leading President Figuereido to accuse Cardinal Arns of "inciting the workers to strike".[123] Union leaders had foreseen the repression and had set up alternative leadership and parallel structures so the stoppage could not be crushed with one blow.[124] A strike fund was formally established and people organised in different states to obtain political and material backing for the protestors in São Bernardo – money, food and medical supplies were donated by workers in all states, which set up regional strike funds of support and shipped the goods to São Bernardo as a sign of solidarity.[125] The mobilisation of neighbourhood committees and church-related organisations also contributed to the politicisation of working class communities.[126] According to Sílvio Caccia Bava, workers throughout the country thought of São Bernardo as "strike town" – the movement symbolised a political watershed and a turning point in the struggle for demands which were shared by many people.[127]

The military's security forces however, occupied the whole town so that São Bernardo resembled a war zone.[128] Armoured vehicles parked in conspicuous places, military helicopters flew over the town constantly, heavily armed military police or army soldiers guarded the occupied union headquarters and surrounded the churches to prevent workers from assembling.[129] São Bernardo was under a virtual state of siege.[130] When the government banned rallies in the streets or the soccer stadium, the movement's organisation moved out into the neighbourhoods where a broad network of meetings in churches, parish

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[122] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.54.
[123] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.107.
[124] Sader and Silverstein, *op.cit.*, p.45.
[125] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.54.
[126] *ibid.*
[127] Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, p.213.
[128] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.55.
[129] *ibid.*
[130] Beecham and Eidenham, 'Beyond the Mass Strike', *op.cit.*, p.22.

halls and workers' houses, all coordinated by the general strike committee, continued organising.[131]

Many opposition groups supported the strikers and there was a strong show of defiance on May Day 1980 in São Bernardo, when demonstrators forced the government to allow their planned rally.[132] In order to show its total support for the strikers, the hierarchy of the Catholic Church celebrated a mass in the Cathedral of São Bernardo do Campo. Approximately 10,000 people assembled around the Cathedral to hear the mass being broadcast through loudspeakers.[133] Helicopters circled above and armoured vehicles were parked in a ring just beyond the area. Different groups of workers began to arrive from all streets and the crowd slowly grew close to 100,000 people.[134] Forming another ring around the military, workers intended to break the circle and join those who were caught between the troops and the Cathedral. Tension increased as protestors silently watched the troops and then began to shout slogans asking the soldiers not to obey their repressive orders. The workers began to sing songs of resistance while the Church hierarchy and opposition politicians negotiated with the army command. Finally, troops began to withdraw from the square to the applause of the thousands of workers still gathered in the area. Singing resistance songs, an estimated 120,000 people formed a long march and walked throughout the city until they reached the Vila Euclides stadium. May Day marked an important moment in the history of the new unionism. This was the first time that a direct order of the military government was disobeyed by those in the immediate command of the troops.[135]

Rank-and-file support, however, began to wane and by 11 May, the last of the strikers, the metalworkers of São Bernardo, voted to return to work.[136] There was no prospect of negotiations with the government, repression was becoming more brutal day by day and resources were depleted.[137] Despite the impressive level of resistance, the 41-day strike was eventually defeated.[138] The Metalworkers Union of São Bernardo was placed under

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[131] Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, pps.210-211.
[132] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.107.
[133] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.55.
[134] *ibid.*
[135] The above account is from Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, p.55.
[136] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.83.
[137] Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, p.213.
[138] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.107.

intervention and approximately 5,000 workers were laid off in reprisal for the strike.[139] None of the workers' demands were met and many companies deducted from salaries all the lost strike days. Although it had suffered setbacks, two important consequences emerged from the new unionism. Workers had set up a flexible structure of organisation with direct representation of the rank and file and the strikers developed a vast network of support throughout the country.[140] Although it was defeated, the São Bernardo strike shook the very foundations of the government's pay policy and of the official union structure itself.[141]

Between 1980 and 1983, the government was determined to control the pace and the nature of the *abertura*. In 1981, General Golberry do Couta e Silva, a key regime strategist stated: "Our strategy on the labour front is to wipe out a powerful movement that has turned to political provocation. It is a movement led astray by its leaders, who have gone beyond their original field of action".[142] As part of the military's strategy, Lula was sentenced in 1981 under the National Security Law to three and a half years in prison, although the verdict was brought to appeal and overturned.[143] Brazil's *abertura* was clearly limited. The military set out to actively strengthen its hold over the working class while paying lip-service to the 'transition to democracy' – it sought to reassert its increasingly shaky grip. Although President Figuereido was instituting reform measures such as allowing new parties and negotiating the question of political amnesty, he also showed that this liberalisation did not apply to the working class.[144]

The incidence of large-scale labour protest also declined in this period due to the dismal economic situation. In 1981, GNP fell by 1.9 per cent, with industrial production falling by 7.5 per cent.[145] From 1980 onwards, trade unions were placed on the defensive – economic recession, unemployment and massive layoffs dramatically reduced the number and intensity of labour conflicts. According to figures from the *Instituto Brasileiro de Geografia e Estatística* in mid-1981, more than 900,000 people lost their jobs in the 6

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[139] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, pps.54,55.
[140] The above account is from Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, pps.54,55.
[141] Bava, 'Neighbourhood Movements and the Trade Unions', in Kowarick, *op.cit.*, p209.
[142] Sader and Silverstein, *op.cit.*, p.46.
[143] *ibid.*
[144] Moreira Alves, *State and Opposition in Military Brazil*, *op.cit.*, p.202.
[145] Sader and Silverstein, *op.cit.*, p.46.

major metropolitan areas of Brazil and by August, unemployment in those cities was estimated at 2,000,000.[146] A DIEESE study completed in June 1981 shows 12.8 per cent unemployment in the metropolitan area of São Paulo alone and 18.4 per cent underemployment among those who had jobs.[147] Increasing rates of inflation hit workers hard, rising from 110.2 per cent in 1980 to 211.0 in 1984; the price of basic goods, primarily foodstuffs, rose even faster.[148] According to DIEESE figures, the amount of labour time necessary to earn a basic basket of goods at the minimum wage went from 138 hours in 1978 to 163 hours in 1981.[149] Brazil experienced one of the worst years ever in 1983 – GNP plunged by over 4 per cent while inflation climbed by 239 per cent – causing huge losses in real wages.[150]

Even though the combination of government repression and economic factors decreased the intensity of labour action, worker activism was kept alive through the factory commissions and organisation continued in many plants in the early 1980s. While the number of industry-wide strikes decreased between 1979 and 1984, the strengthening of links between union leadership and rank-and-file organisation was reflected in the significant increase in 1984 in the number of short strikes in single plants, which totaled 626.[151] Workers held strikes within factories in order to pressure management to recognise the right to union representation and the freedom to organise inside companies. In 1981, Ford recognised the union as a bargaining agent and formally accepted a factory committee. The following year, workers elected a factory committee of 28 to handle grievances and to negotiate directly with the Human Relations Department of Ford. When workers went on strike at the Volkswagen plant in 1983 demanding a 40-hour week, management decided to accept the reduction of the weekly workload but linked it to a 20 per cent cut in pay.[152] To support its proposal, the company presented a petition with 22,000 signatures.[153] Alleging that these were obtained under pressure, the Metalworkers Union of São Bernardo suggested that a plebiscite be held to properly establish employee views. The plebiscite was held, with the

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[146] Keck, *op.cit.*, p.170.
[147] *ibid.*
[148] *ibid.*
[149] *ibid.*
[150] Sader and Silverstein, *op.cit.*, p.46.
[151] Keck, *op.cit.*, p.170.
[152] The above account is from Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, pps.56-57.
[153] Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, pps.56-57.

company's proposal losing by a large majority. This was the first time in Brazilian history that a corporation agreed to hold secret elections to resolve a labour issue.[154]

The Volkswagen dispute led to several gains for workers in management negotiations. In April 1983, violent protests occurred in São Paulo, with jobless workers storming the state governor's palace in a March Against Unemployment. The same month also witnessed a strike of 10,000 automobile workers in São José do Campo which shutdown General Motors. To demonstrate their solidarity, São Bernardo metalworkers engaged in a slowdown. They also helped orchestrate a major strike action in July 1983 involving oil workers in various parts of the nation and staged a sympathy strike of their own that paralysed Brazil's major automobile manufacturing plants.[155] One of the most significant strikes of the early 1980s was that of the petrochemical workers in Paulínia (São Paulo state) and Mataripe (Bahia) which led to the first general strike in Brazil since the military coup of 1964. Workers organised a 5-day strike to protest against the enactment of a law which had annulled many of the benefits received in previous years.[156] The strike in both states was violently repressed, with government intervention in both unions. Chemical workers, bus drivers and glass workers also went on strike to express their support. In the ABC region alone, 100,000 workers joined the solidarity movement which ended with another intervention in the Metalworkers Union of São Bernardo – these events culminated in a 24-hour strike involving over 3 million workers throughout Brazil in July 1983 against the economic policies of the government.[157]

The strength of the new unionism was apparent in the large corporations – management bypassed the military's restrictions and negotiated directly with union leaders for contracts which were subsequently approved by government administrators.[158] As a result of their tight organisation at rank-and-file level inside the factories, workers were able to guarantee the de facto functioning of their union even during periods of official government intervention.[159] Nationwide strikes continued – in October 1984 thousands of workers and students in Rio and São Paulo took to the streets to protest government austerity measures,

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[154] The above account is from Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, pps.56-57.
[155] The above account is from Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.107.
[156] The above account is from Moreira Alves, 'Trade Unions in Brazil', in Epstein, *op.cit.*, pps.57-58.
[157] *ibid.*
[158] *ibid.*, p.58.
[159] *ibid.*

particularly a presidential decree limiting pay rises to 80 per cent of cost of living increases.[160] In 1985, there was a major strike in the metalworking industries that continued intermittently for 2 months. The resurgence of protest on a massive scale illustrated the ongoing strength of rank-and-file organisation inside the factories and demonstrated that the new unionism continued to function despite the government crackdown.

LABOUR'S LEADERSHIP ROLE IN CIVIL SOCIETY

Brazil's new unionism had a massive impact on the transition – the nature of opposition not only changed, but it also intensified. It was not a movement that was confined to the working class, its strength derived in many ways from the backing of many community organisations. The new unionism helped to create consciousness and awareness of social injustices. Once demands became broader and more overtly political, the labour movement moved beyond an emphasis on shop-floor and industrial relations issues and championed the demands and concerns of the lower classes more generally.[161] In particular, the new unionism questioned Brazil's rapid development model and the extreme inequalities which it generated – it encouraged the urban poor to take social and political action in their neighbourhoods where the government had failed to deliver necessary services. Worker demands raised awareness in the *favelas* and led to grassroots associations which sought to address local government and urban issues such as the provision of water, electricity, sewers, transport and schools. Labour became in effect, a banner and a megaphone for subaltern groups.[162] Amongst the many groups that flourished during this time were squatters' organisations, the Catholic CEBs, the amnesty movement and the cost of living movement. In the larger Brazilian context of widespread poverty and repression, these forms of popular organisation became the only legitimate places for organising grievances.[163]

Opposition to the military dictatorship was not restricted to the popular classes, it also included politicians and business and professional associations such as the Brazilian Bar

[160] Greenfield, 'Brazil', in Greenfield and Maram, *op.cit.*, p.84.
[161] Berins Collier, *Paths Toward Democracy, op.cit.*, p.137.
[162] Drake, *op.cit.*, p.85.
[163] Guidry, 'Not Just Another Labour Party', *op.cit.*, p.88.

Association (*Ordem dos Advogados do Brasil* – OAB) and the Brazilian Press Association (*Associacao Brasileira de Imprensa* – ABI). Calling for the rule of law and an end to the military's censorship of the press, these associations represented significant portions of the middle class who voiced their concerns and joined the collective call for democratisation. Both sought to bring the public's attention to the government's use of torture and arbitrary arrests, and demanded that the military regime issue an amnesty and repeal IA-5. Above all, however, the most important contribution of the new unionism was the creation of a left-wing party which became a vehicle for the integration of popular and middle-class demands.

CREATION OF THE WORKERS PARTY: LINKING UP MASS RESISTANCE

A new socialist-based party was the most important development to emerge from the new unionism. When the military allowed new parties to form in 1979, the PT was created in October and was officially launched on 10 February the following year. It was based in São Paulo where the core of the nationally known labour leadership associated with the new unionism was located and a mass base had already manifested itself in the strikes of the late 1970s.[164] One of the main reasons behind the creation of the PT was not only to represent worker interests, but also to provide a platform to link the various social movements. It sought to prove an institutional avenue for the experiences gained during the new unionism. By the time the PT was formed, the question of the participation of the workers was no longer an abstract discussion among intellectuals, but rather had been placed on the agenda of the debate about democracy by the actions of the labour movement itself.[165]

As a vehicle for genuine worker representation, the PT, for the first time in Brazilian history, allowed workers to have a voice in national politics. It was a party which insisted both on addressing worker demands and on the need for workers to have an independent political voice. Defying the Brazilian tradition of elitist parties, the PT was organised from the bottom-up, a feature known as *'basismo'*. Grassroots mobilisation and direct participation in the formulation of policies were central themes in party meetings and

[164] Keck, *op.cit.*, p.72.
[165] Keck, 'The New Unionism in the Brazilian Transition', in Stepan, *Democratising Brazil, op.cit.*, p.263.

conventions. It also refused to join with the PMDB and form alliances with other parties – instead, the PT established itself as an alternative to other Brazilian opposition parties. It was formed in order to genuinely express worker concerns and encourage popular participation, without any ties to the official bureaucracy or government structure. Workers were not the only members, also included were rural unions and peasant leagues, CEBs and church organisations that worked with landless peasants, former communist militants or militants of the 'armed left', groups of leftist revolutionaries, intellectuals, members of the middle class and parliamentary deputies.[166] Because of the broad make-up of the party, it did not have a fixed ideology or agenda, rather, it defined itself as a 'socialist' party which addressed social justice issues, grassroots democracy and economic redistribution in favour of poorer groups. Some of the PT's main themes were the decentralisation of political power, government accountability to social movements and a reversal of priorities away from elite groups toward the disadvantaged.[167]

Hoping that the new party law would split the opposition, the military assumed the labour movement would be unable to provide a united political front. The Workers' Party however, represented a serious political threat to the status quo and the military carried out acts of sabotage throughout the early 1980s in a concerted effort to demoralise members. In early 1980, the party's offices in Campo Grande (Mato Gross do Sul) were burned to the ground and activists in several other regions were arrested for promoting the new party. In February 1981, 15 members of the PT were arrested in the states of Amazonas, Ceara, Bahia, Brasília and São Paulo for protesting against the scheduled trials of Lula and 12 other union leaders. A month later, the PT's headquarters in São Paulo were burgled – documents and other materials were taken and though no proof was ever found, party leaders suspected it was the work of the military.[168]

Despite government hostility, the PT gradually increased its electoral strength, fought back and continued to mobilise in the push for democratisation. At the end of 1982, it had 245,000 members, with 64,000 in São Paulo, 35,000 in Minas Gerais, 36,000 in Rio de

[166] Lowy, Michael and Arthur Denner, 'A New Type of Party: The Brazilian PT', *Latin American Perspectives*, Vol. 14, No. 4, Autumn 1987, p.456.
[167] Abers, Rebecca, 'From Ideas to Practice: The Partido dos Trabalhadores and Participatory Governance in Brazil', *Latin American Perspectives*, Vol. 23, No. 4, Autumn 1996, pps.37-38.
[168] The above account is from Sader and Silverstein, *op.cit.*, p.51.

Janeiro, and 16,000 in Rio Grande do Sul.[169] Lula became the first president of the PT and, in 1982, ran on the PT ticket for governor of the state of São Paulo – although finishing in fourth place, he won more than one million votes.[170] To support the *diretas ja!* campaign in 1983, the PT held a large public rally which illustrated its commitment to democratisation. Throughout the 1980s and 1990s, the PT steadily built its electoral base and increased its national profile. In the November 1986 Congressional elections, the PT increased its percentage of votes to 6.2 per cent and elected 17 federal deputies.[171] Lula was elected to Congress with more votes than any other deputy, including PMDB president Ulysses Guimarães, and key PT members also received Congressional seats, such as party president Dutra (of the Porto Alegre bank workers) and Vasconcelos (of the João Monlevade metalworkers).[172] Other PT members were elected to state legislatures – they went from a total of 12 in 4 states to 33 in 13 states.[173]

Sectors of the population hitherto excluded from formal politics were mobilised though the party's extension of its support base. In the presidential elections of December 1989, Lula came close to winning the presidency and received more than 31 million votes.[174] In the second round of the elections, Lula was closely beaten by the PDS candidate Fernando Collor de Mello, who received 42.75 per cent, compared to his 37.86.[175] Undeniably, its most important achievement was in the 2002 elections in which the PT won the presidency. Lula won 61 per cent compared to the PDS candidate, José Sera who gained 39 per cent of the national vote.[176] This translated into 52.8 million votes for Lula which was a larger absolute total than has ever been achieved by a presidential candidate in Brazilian history and in a democracy.[177]

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[169] *ibid.*, p.55.
[170] Pastore and Skidmore, 'Brazilian Labour Relations', in Juris, Thompson and Daniels, *op.cit.*, p.93.
[171] Lowy and Denner, 'A New Type of Party', *op.cit.*, p.463; Beecham and Eidenham, 'Beyond the Mass Strike', *op.cit.*, p.31.
[172] Keck, *op.cit.*, p.157.
[173] *ibid.*
[174] Moreira Alves, Maria Helena, 'Something Old, Something New: Brazil's *Partido dos Trabalhadores*', in Carr, Barry and Steve Ellner (eds), *The Latin American Left: From the Fall of Allende to Perestroika*, Boulder: Westview Press, 1993, p.231.
[175] Keck, *op.cit.*, p.158.
[176] Sader, Emir, 'Taking Lula's Measure', *New Left Review*, No. 33, May-June, 2005, p.70.
[177] Guidry, 'Not Just Another Labour Party', *op.cit.*, p.98.

CONCLUSION

The Brazilian labour movement was historically excluded from the ruling alliance – although the post-World War II democratic period appeared to herald a new dawn, in reality, workers were used as pawns in the shifting and precarious coalitions which characterised Brazilian politics. Populism was used as a tool to manipulate worker interests and maintain the subordinate position of the labour movement. The only parties which claimed to represent workers were elitist, clientelist instruments of the state which had no ties to the rank-and-file.

Relying not only on force, the military regime enacted various legal and corporatist measures to repress working class protest. The dictatorship did not have the political resources necessary to split the labor movement, such as the ability to bribe the labour leadership as a way of counteracting dissent in the same way as the Mexican regime which could control the rank-and-file by manipulating the labour leadership – *charrismo*. Opposition was even more dangerous for the military because it occurred from outside the channels of control and was therefore, much more difficult to contain. In Mexico, the formation of the PRD was the result of an internal split within the regime – essentially, it was a rebellion of the political elite. In Brazil, however, it was the opposite – the challenge to the system originated outside the regime's mechanisms of control and took an electoral form that had its roots in the new unionism. The PT emerged independent of the government and as such, it presented a radical, autonomous challenge which was viewed by the military as dangerous, given its solid base of popular support. In the context of repression and a society where politics was the domain of the elite few, the new unionism and the creation of the PT was an explosive development. It was alarming for the military because it questioned the basis upon which Brazilian society had been constructed by demanding the inclusion of the subaltern classes in politics.

The significance of the new unionism in Brazil was in the way that it opened up the political space during a period when repression was still ongoing, despite liberalisation. As soon as the new unionism surfaced, worker opposition helped push the transition to democracy forward. Worker struggles allowed other sectors in society to raise their demands and participate in the nationwide call for an end to the military regime. The new

unionism gave a voice to subordinate classes – it not only raised political consciousness but it also led to new forms of popular, grassroots organisation. Once labour placed redemocratisation on the agenda, white-collar, professional groups, as well as the popular classes, joined the broader democratisation movement.

CHAPTER 6: THE SOUTH KOREAN TRANSITION

INTRODUCTION

The 1992 presidential elections in South Korea signaled the beginning of a new era. Kim Young Sam became the first civilian president after more than 30 years of military rule. As a key figure in the opposition to authoritarianism, Kim gained his democratic credentials during some of the most brutal years of dictatorship. Efforts to democratise the country, however, were not restricted to members of the oppositional elite. Whether it was rebellion against Japanese colonialism in the early to mid-twentieth century, student protests in favour of democracy during the 1960s, or the formation of democratic trade unions led by female workers in the 1970s, the power and authority of the state has regularly been challenged. In each instance, popular resistance was stifled but it was never completely eradicated.

Throughout the 1960s and 1970s, important sectors of the popular classes began to present a systematic challenge. The rapid industrialisation of South Korea from 1961 onwards laid the foundations for the downfall of authoritarianism. Profound economic, industrial and social transformation not only strengthened the ability of the working class to organise, but also created a large middle class which was repulsed by the excesses of authoritarianism and which allied itself with the labour movement in the push for democratic change. They were joined by students, intellectuals and religious groups in a broad alliance which spilled out into the streets to collectively voice their demands. It was not until the 1980s when the combined strength of different social forces, led by the labour movement, was powerful enough to pressure the state on an enormous, unprecedented scale and force the military to democratise. In this regard, the Korean case differs significantly from Mexico and Brazil in that the opposition was more sustained, combative and organised.

However, South Korea's transition to democracy displays several similarities with Mexico and Brazil. Controlled liberalisation in the early 1980s was initiated by the military regime as a way of counteracting mounting criticism and lack of legitimacy. Once the political

space was opened however, unremitting protest was responsible for maintaining the momentum for democratisation and led to the June 1987 democracy declaration. The regime's failure to incorporate the popular sectors meant that when political dissent erupted, it was on an uncontrollable scale – a situation which has parallels with the Brazilian case. Similarly to Brazil, the Korean state did not establish institutional channels through which popular opposition could be harnessed by the state.

HISTORY OF RESISTANCE – KOREAN POPULAR FORCES

a) JAPANESE COLONIALISM (1910-45)

When the Japanese annexed Korea as a colony in 1910, almost five centuries of uninterrupted rule under the Yi dynasty came to an abrupt end. During the Yi period, politics was dominated by the *yangban*, an elite landowning class whose political power and social status resided in land ownership and control over the state. Although the *yangban* collaborated with the Japanese, many Koreans actively fought against the imposition of foreign rule. Nationalist and independence movements emerged as a source of resistance. Established in exile, the Korean Provisional Government became a centre of nationalist opposition outside the country.[1] Within Korea, student, worker, intellectual, religious, cultural and farmers groups were formed in order to resist the Japanese. In 1925, there were 180 politically oriented societies, including 300 religious youth societies, 128 labour organisations, 44 youth societies and others which advocated political, economic and social reforms.[2] Such organisations were limited due to strict control over their activities. Japanese cultural policy permitted carefully controlled books and newspapers, regulated school curricula, banned the teaching of the Korean language and rewrote the country's history.[3]

Creation of a large military and police force was designed to curb the level and impact of anti-Japanese sentiment. The harsh nature of Japanese colonialism also led to the

[1] Hamilton, Clive, *Capitalist Industrialisation in Korea*, Boulder: Westview Press, 1986, p.18.
[2] Nahm, Andrew C., *Korea: Tradition and Transformation. A History of the Korean People*, 2nd ed., Elizabeth, New Jersey: Hollym International Corp, 1996, p.278.
[3] Hamilton, Clive, *op.cit.*, p.18.

emergence of Korean nationalism. This was most forcefully expressed in the 'March First Movement' of 1919, in which two million Koreans participated in nationwide protests against colonial rule.[4] Japanese property and police stations were attacked and a Declaration of Independence was issued calling for a free Korea and replacement of the old regime with a democratic constitution guaranteeing civil liberties.[5] Alarmed, the Japanese brutally crushed the movement resulting in the deaths of several thousand people.

Posing the most serious threat however, was the labour movement. Under colonialism, labour formed the most organised resistance and played a leading role in backing and instigating rebellion amongst other sectors in society, including peasants and students. For this reason, the colonial government attempted to suppress all forms of labour activity, particularly in the 1920s which was characterised by labour disputes, peasant rebellions and student-led agitation. Strikes were led by dockworkers and miners who voiced economic and political demands.[6] Unions began to emerge throughout the country with similar notions and various nationwide labour organisations were formed.[7] However, laws enacted, particularly the Public Peace Act of 1925, provided the legal justification for worker persecution.[8] A variety of tactics were used to suppress union activity, including prohibiting workers' rallies and arresting union leaders.[9] The Korean Communist Party was founded in 1925 and actively struggled against the Japanese, however, arrests and state repression restricted its ability to organise. In the 1930s and early 1940s, labour was driven underground as a result of systematic and harsh persecution but in the process, it developed closer ties to the communist movement.[10]

Despite repression, resistance continued – peasants formed unions and councils to protest Japanese agricultural policies, holding demonstrations, hunger strikes and in some cases, refusing to cultivate and harvest.[11] Students were also active in the anti-colonial struggle,

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[4] Rees, David, *A Short History of Modern Korea*, Isle of Man: Ham Publishing, 1988, p.66.
[5] Hamilton, Clive, *op.cit.*, p.18.
[6] Kim, Hwang-Joe, 'The Korean Union Movement in Transition', in Frenkel, Stephen (ed), *Organised Labour in the Asia-Pacific Region: A Comparative Study of Trade Unionism in Nine Countries*, Ithaca, New York: ILR Press, 1993, p.134.
[7] *ibid.*
[8] *ibid.*, p.135.
[9] *ibid.*
[10] Koo, Hagen, 'The State, *Minjung* and the Working Class in South Korea', in Koo, Hagen (ed), *State and Society in Contemporary Korea*, Ithaca and London: Cornell University Press, 1993, p.134.
[11] Kang, Man-gil, *A History of Contemporary Korea*, Folkstone, Kent: Global Oriental, 2005, p.44.

protesting against Japanese education and cultural programs and in the wider push for independence. For example, formed in 1924, the General League of Korean Youth was active in the independence movement and included 223 youth organisations with over 37,000 members.[12] Popular mobilisation represented a serious danger for the Japanese – as long as it could be managed through the extensive security apparatus, it could be prevented from deposing the government. In the next period, mass empowerment created the necessary conditions for a genuine democratic government.

b) U.S. MILITARY OCCUPATION (1945-48)

Defeat of the Axis powers in World War II resulted in the sudden collapse of Japanese colonialism on 15 August, 1945. Korea's abrupt liberation left a vacuum which was immediately filled by nationwide political mobilisation. Influenced by communism, 'peoples' committees' were formed, numbering 145 by the end of August.[13] They functioned as basic units of government, freeing political prisoners and maintaining law and order.[14] The underground labour movement emerged to take over and run factories that had been hastily abandoned by the Japanese and some factories were operated by peoples' committees. Workers soon transformed these committees into unions and established the National Council of Korean Trade Unions *(Chun Pyung)* to unite the unions.[15]

Many intellectuals and labour activists who led the independence movement under colonialism were responsible for forming *Chun Pyung* which soon comprised 16 affiliated industrial federations and nearly 1,200 local unions.[16] *Chun Pyung's* initial membership of 180,000 increased within two months to 553,408 in 224 branches and 1757 local unions.[17] On 6 September, 1945, local peoples' committee representatives and national leaders met in

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[12] *ibid.*, p.48.
[13] Hart-Landsberg, Martin, 'South Korea: The "Miracle" Rejected', *Critical Sociology*, Vol. 15, No. 3, Fall 1988, p.31.
[14] *ibid.*
[15] *ibid.*, p.32.
[16] Kim, 'The Korean Union Movement in Transition', in Frenkel, *op.cit.*, p.135.
[17] Kwon, Seung-Ho and Michael O'Donnell, 'Repression and Struggle: The State, the *Chaebol* and Independent Trade Unions in South Korea', *The Journal of Industrial Relations*, Vol. 41, No. 2, June 1999, p.283.

Seoul to organise the Korean People's Republic (KPR).[18] The KPR took over national administration and control over press and radio, while many groups such as workers, students and farmers formed organisations and associated with the KPR.[19] For a few weeks, the KPR achieved *de facto* sovereignty.[20]

Popular organisation, however, did not last long. Cold War geopolitics put an end to the intense mobilisation which emerged after the fall of colonialism. The spread of left-wing mobilisation represented a fundamental obstacle to the consolidation of a Southeast Asian bulwark against communism. The US containment strategy resulted in the establishment of a government that was virulently anti-communist. In September 1945, US forces arrived and established the US Army Military Government in Korea (USAMGIK). Heading the new Korean government was Syngman Rhee, a conservative political figure who shared the USAMGIK's deep distrust of left-wing politics. Wasting little time, Rhee and US forces openly declared war on the KPR, ruling its activities illegal in the south and attacking *Chun Pyung* in December 1945.[21] The factories which had been taken over by the committees were seized and strikes were outlawed.[22] In order to combat the challenge posed by *Chun Pyung*, the government established the right-wing and anti-communist Confederation of Korean Trade Unions (CKTU) in March 1946. Formation of the CKTU established an important precedent – the official trade union movement was transformed into an appendage of the state.

Between September and November 1946, popular resistance to Rhee and the USAMGIK reached new heights and several provinces were gripped by demonstrations. The province of Pusan was hit first in September 1946, when a general strike led by *Chun Pyung* spread throughout Korea to involve 251,000 workers.[23] This was followed by demonstrations and massive rioting the following month in Taegu.[24] Peasant rebellions known as the Autumn Harvest Uprisings, swept throughout the Kyongsang and Cholla provinces.[25] Alarmed at

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[18] Hart-Landsberg, 'South Korea', *op.cit.*, p.31.
[19] *ibid.*, p.32.
[20] Hamilton, Clive, *op.cit.*, p.21.
[21] Hart-Landsberg, 'South Korea', *op.cit.*, p.32.
[22] *ibid.*, p.32.
[23] Cumings, Bruce, *The Origins of the Korean War: Liberation and the Emergence of Separate Regimes*, Princeton, New Jersey: Princeton University Press, 1981, p.354.
[24] *ibid.*, p.356.
[25] *ibid.*, p.351.

the rapid spread of the rebellion, the USAMGIK declared martial law in Taegu and U.S. troops, along with the local police force were sent in to help break the strikes and end the spreading insurrection. It is estimated that 30,000 people were arrested in the autumn of 1946, including 11,624 *Chun Pyung* workers.[26] Systematic repression destroyed *Chun Pyung* – it ceased to exist.

The end of Japanese colonialism signaled new prospects for the establishment of a democratic Korea. When this was dashed by the arrival of the USAMGIK and Syngman Rhee, Koreans continued to resist through the creation of political organisations and uprisings which defied the imposition of rule by another foreign power. State repression, however, resulted in the destruction of the left – it would be another decade before the left would re-emerge as a significant force.

c) *SYNGMAN RHEE (1948-1960) – DESTRUCTION OF THE LEFT & THE KOREAN WAR*

Although Rhee was elected as president in July 1948, the newly established Republic of Korea (15 August, 1948) faced immense problems from its inception. Riots, strikes and demonstrations in the cities and the countryside continued to plague the new regime. Elections were held but they were largely a sham – Rhee's political power resided in the repressive apparatus and US support. The military and police were crucial in crushing the left and Rhee's political opponents. Providing billions in military and financial aid, the US provided the South Korean government with the resources necessary to maintain the instruments of control and intimidation. Enacted in December 1948, the National Security Law was used to tighten controls over the press and arrest opposition, particularly from the organised left. Under Rhee, there was a wholesale purge of 'disloyal' elements in the army, police, press and educational establishments.[27] Some 90,000 people were arrested in an eight month period in 1948-49.[28]

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[26] *ibid.*, p.379.
[27] Hamilton, Clive, *op.cit.*, p.23.
[28] *ibid.*

Systematic destruction of leftist forces was completed as a result of the devastating effects of the Korean War. During the three years of war between 1950 and 1953, fighting touched almost the entire country. Seoul changed hands four times and was almost totally destroyed in the process.[29] Nearly one million Korean civilians as well as 320,000 Korean soldiers were killed.[30] Property damage was estimated at $2 billion.[31] Thousands of people were killed or jailed without trial. Acting under the wartime emergency, Rhee's regime executed thousands of leftists and many more fled to North Korea.[32] Nowhere was this crackdown on leftist organisation more evident than in the labour movement – independent worker organisation virtually ceased to exist and South Korea's official labour movement came under government control.

d) STUDENT 'REVOLUTION' OF 1960 & DEMOCRATIC ELECTIONS

By early 1960, the unpopularity of the Rhee regime was widespread. Two crucial events led to its downfall. First, the government rigged vice-presidential elections in March 1960 so that its candidate, Yi Ki-bung, would win. Second, a student was killed by a tear gas canister in demonstrations against Rhee. These two events instigated a widespread revolt against the Rhee regime. On 19 April 1960, more than 30,000 students in Seoul demonstrated and 130 were killed while thousands were wounded.[33] Known as the 'April student revolution', massive student protests continued throughout the country and martial law was declared. Hundreds of university professors defied martial law and gathered in the capital to call for Rhee's resignation.[34] Although protests were mainly led by the small urban educated classes, broader discontent with the regime was rife. When the military refused to fire on protestors, Rhee resigned and fled the country. The April student uprising demonstrated the ability of popular resistance to bring down an authoritarian government – although popular forces had been weakened by the effects of repression and war, by the early 1960s they had effectively reorganised and forced Rhee out of power.

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[29] Cole, David C and Princeton N. Lyman, *Korean Development: The Interplay of Politics and Economics*, Cambridge, Massachusetts: Harvard University Press, 1971, p.22.
[30] *ibid.*
[31] *ibid.*
[32] Hart-Landsberg, 'South Korea', *op.cit.*, p.34.
[33] Eckert, Carter, Ki-Baik Lee, Young Ick Lew, Michael Robinson and Edward W. Wagner, *Korea Old and New: A History*, Seoul: Ilchokak Publishers, 1990, p.355.
[34] *ibid.*

Democratic elections in July 1960 installed Chang Myon, leader of the opposition under Rhee, the Democratic Party, as President. Various political and economic problems crippled the new regime and it lacked widespread support in Korean society. Members of the Democratic Party shared much of the same social and educational background as Rhee's Liberal Party, thus it was not directly representative of the forces that had brought about the April student revolution.[35] The explosion of renewed political activity, particularly within the student and labour movement, also contributed to destabilising the government. In an open political environment and with a weak and divided (but far less repressive) government, Koreans took to the streets – during the 10 months the government was in power around 2,000 demonstrations took place, involving one million people.[36] New labour organisations sprouted and launched a movement to combine and unite fragmented labour groups.[37] The first wave of labour disputes occurred almost immediately, numbering 227.[38] After the 1960 revolution, the union movement was characterised by a struggle of the rank and file to assert the legitimacy of worker activity independent of the government.[39]

Renewed mobilisation of the popular classes, coupled with factional strife, economic crisis and unstable government, alarmed the South Korean military. As a result, a military coup in May 1961 led to the overthrow of democracy. At the end of the 1950s, South Korea had few autonomous political organisations – in this context, the stirring of students and the educated middle class in April 1960 was felt as a titanic disturbance at the centre.[40] The student revolution gave workers a brief opportunity to seek an autonomous path but this failed in the wake of the military coup.[41] A darker era for autonomous labour organisation was on the horizon.

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[35] Cole and Lyman, *op.cit.*, p.31.
[36] Hart-Landsberg, 'South Korea', *op.cit.*, p.34.
[37] Kim, Sunhyuk, 'Civil Society in South Korea: From Grand Democracy Movements to Petty Interest Groups?' *Journal of Northeast Asian Studies*, Vol. 15, No. 2, Summer 1996, p.86.
[38] Koo, 'The State, *Minjung* and the Working Class in South Korea', in Koo, *State and Society in Contemporary Korea*, *op.cit.*, p.135.
[39] Kim, 'The Korean Union Movement in Transition', in Frenkel, *op.cit.*, p.136.
[40] Lie, John, *Han Unbound: The Political Economy of South Korea*, Stanford: Stanford University Press, 1998, p.38.
[41] Kim, 'The Korean Union Movement in Transition', in Frenkel, *op.cit.*, p.136.

THE DEVELOPMENTAL STATE UNDER PARK (1961-79)

a) AUTHORITARIANISM CONTINUES

Led by General Park Chung Hee, the military coup of May 1961 was a reaction against rising mass mobilisation. The military viewed itself as a modernising force which would foster economic development through the assumption of state power – organised left-wing dissent was perceived as a threat to national security. The volatility of the Chun Myung period proved to senior military officials that the popular classes needed to be controlled. Immediately, Korea was placed under martial law and a special military tribunal was appointed to purge the military, government and society of people that the junta regarded as corrupt or undesirable.[42] Political activity of any kind was prohibited and strict controls over the press were implemented. Anti-communist laws were passed and anyone suspected of being a communist was arrested. A key instrument of control in the authoritarian state was the creation of the Korean Central Intelligence Agency (KCIA) established in June 1961, an agency with extensive surveillance powers. Park, however, sought to maintain a semblance of democratic procedure. From October 1963, elections were held regularly, but they were rigged – the results always guaranteed victory for the government party, the Democratic Republican Party (DRP). The opposition New Democratic Party (NDP) was allowed to run against the DRP but the existence of an opposition party was merely for show – the NDP had no real power. Superficially democratic institutions were grafted onto a coercive state apparatus comprised of the military, police, the KCIA and the personal authority of Park.[43]

Park's wide-ranging network of control was designed to suppress the activities of one group in particular – the labour movement. Cold War politics dictated the state's attitude towards worker activism. Left-wing trade unionism was banned because it was viewed as harmful to social stability. Anti-communism became the basis of state ideology. Labour was completely excluded – its political activities were prohibited and no legitimate pro-

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[42] Eckert *et al, op.cit.*, p.360.
[43] Sohn, Hak-kyu, *Authoritarianism and Opposition in South Korea*, London and New York: Routledge, 1989, p.20.

labour or left-wing political parties were allowed to exist.[44] Creating a subordinate, pro-government trade union federation was one of Park's chief priorities and in August 1961, the Federation of Korean Trade Unions (FKTU) was established, replacing the CKTU. It was organised into 16 industrial federations comprising 2,359 unions and 336,974 members.[45] The FKTU was administered by an executive committee made up of nine men, each one hand-picked by the KCIA.[46] It had complete control over the 16 national-level industrial unions which, in turn, exercised statutory powers over regional and branch-levels – essentially, it was a top-down chain of command.[47] Legislation was also enacted which prohibited union involvement in politics. Essentially, the FKTU served to moderate union demands, carry out government policy and monitor worker activity.

Various methods were employed to enforce obedience amongst workers. The Labour Union Law gave the government the exclusive right to remove the leadership of any union or decertify any union if they contravened the law or, in the words of the legislation, were "likely to harm public benefit".[48] This made unions dependent on the state for legal recognition and the right to formally represent worker interests.[49] Precluding the possibility of forming a labour party, the Labour Union Law prevented unions from forming, cooperating with or contributing money to any political party.[50] Such legislation was designed to leave only government-sanctioned institutions, such as the Ministry of Labour, various labour committees and the FKTU as vehicles for the representation of worker interests.[51] Strikes were declared illegal and lengthy procedures were prescribed for conciliation and dispute mediation under the Labour Dispute Adjustment Law.[52] Third party intervention in union activities was banned in a direct attempt to prevent linkages between workers and student groups, political parties and activist church organisations.[53] The dominant institution making the decision on wage rates was the labour-management

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[44] You, Jong-Il, 'Changing Capital-Labour Relations in South Korea', in Schor and You, *op.cit.*, p.119.
[45] Kwon and O'Donnell, 'Repression and Struggle', *op.cit.*, p.284.
[46] Soonok, Chun, *They Are Not Machines: Korean Women Workers and their Fight for Democratic Trade Unionism in the 1970s*, Aldershot: Ashgate, 2003, p.112.
[47] *ibid.*, p.114.
[48] Launius, Michael A., 'The State and Industrial Labour in South Korea', *Bulletin of Concerned Asian Scholars*, Vol. 16, No. 4, October-December 1984, p.5.
[49] *ibid.*
[50] *ibid.*
[51] *ibid.*
[52] *ibid.*, p.6.
[53] *ibid.*

council rather than direct bargaining between unions and firms – workers were often forced to join company-controlled labour-management councils rather than unions.[54]

The state also used coercion and violence as a way of restricting worker dissent. At the forefront was the KCIA which was in direct charge of information gathering and surveillance activities of labour activists.[55] The KCIA penetrated nearly every arena of Korean life, with agents in factories, central and local government offices and university classrooms.[56] Dissident workers were blacklisted and their names and personal information widely circulated among industries to prevent them from obtaining employment.[57] Military style management in some factories was particularly harsh – management often hired thugs to keep disobedient workers in line and beatings were not uncommon.

Ideology was employed in an attempt to maintain a submissive workforce. Emphasising familial labour-management relations, the *Saemaul* Movement (New Community Movement) stressed the workers' moral obligation to work overtime and obedience toward management.[58] Its three catch phrases, 'diligence', 'self-reliance' and 'cooperation' were actively implemented at the factory level.[59] To instill fear in workers, the threat of invasion from communist North Korea was routinely invoked by the state. The government's anti-communist ideology made it difficult to mount any form of opposition – it was likely to be branded as communist and therefore, illegal. Under Park, all the methods of maintaining labour quiescence were drawn together to form, at first, a nearly impenetrable mesh.[60] Mounting opposition from civil society and the labour movement in particular, however, began to penetrate the mesh in the 1970s.

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[54] Hyug Baeg, Im, 'State, Labour and Capital in the Consolidation of Democracy: A Search for Post-Authoritarian Industrial Relations in South Korea', *Korean Social Science Journal*, Vol. 18, 1992, p.11.
[55] Park, MiKyoung Kim, 'Economic Hardships, Political Opportunity Structure and Challenging Actions: A Time Series Analysis of South Korean Industrial Disputes, 1979-1991', *Asian Perspective*, Vol. 21, No. 2, Fall 1997, p.152.
[56] Cumings, Bruce, 'The Origins and Development of the Northeast Asian Political Economy: Industrial Sectors, Product Cycles and Political Consequences', in Deyo, Frederic C (ed)., *The Political Economy of the New Asian Industrialism*, Ithaca and London: Cornell University Press, 1987, p.72.
[57] Park, 'Economic Hardships, Political Opportunity Structure and Challenging Actions', *op.cit.*, p.152.
[58] *ibid.*
[59] *ibid.*
[60] Bello, Walden and Stephanie Rosenfeld, *Dragons in Distress: Asia's Miracle Economies in Crisis*, San Francisco: The Institute for Food and Development Policy, 1990, p.30.

b) THE DEVELOPMENTAL STATE & KOREAN WORKERS

Park's military coup was viewed by many South Koreans as an illegitimate assumption of power – as a result, he sought political legitimacy through the pursuit of economic growth. An important motive behind the military coup was to make South Korea an industrial and military powerhouse through rapid industrialisation. Ironically though, it was through rapid economic growth that the seeds of dissent were sown and the groundwork was laid for Park's demise. The role of the state in stimulating and directing economic development was integral to Korea's industrialisation. Institutional structures were established to support and propel development. These included the Economic Planning Board (EPB), established in 1961. The EPB was responsible for outlining, budgeting and implementing the state's economic plans. Nationalisation of the banking system and control over credit was also a cornerstone of industrial policy. By controlling the flow of finance, the state was able to target specific industries for export-oriented industrialisation (EOI).

Park's government actively intervened in the market to coordinate, guide and discipline the private sector through strategic allocation of resources and the use of diverse policy instruments.[61] These included tariff exemptions, tax reductions and a preferential credit rate for exporters as well as access to foreign loans, low interest rates and licenses for major investment projects.[62] The major vehicles for industrial policy were huge privately-owned conglomerates called *chaebol*, the largest of which – Samsung, Hyundai, Daewoo and Lucky-Goldstar – became household names.[63] Government support of the *chaebol* led to their unusually rapid growth, expanding five to nine times faster than the economy as a whole.[64] By 1987, nine of the largest *chaebols* made up 63.6 per cent of South Korea's

[61] Moon, Chung-In and Yong-Cheol Kim, 'A Circle of Paradox: Development, Politics and Democracy in South Korea', in Leftwich, Adrian (ed), *Democracy and Development: Theory and Practice*, Cambridge: Polity Press, 1996, p.141.
[62] Li, Kui-Wai, *Capitalist Development and Economism in East Asia: The Rise of Hong Kong, Singapore, Taiwan and South Korea*, London: Routledge, 2002; Pak, Sejin, 'Emergence and Transformation of the South Korean Model', in Sheridan, Kyoko (ed), *Emerging Systems in Asia: A Political and Economic Survey*, St. Leonards: Allen and Unwin, 1998, p.84.
[63] McGuire, James W., 'Development Policy and its Determinants in East Asia and Latin America', *Journal of Public Policy*, Vol. 14, No. 2, 1994, p.220.
[64] Kim, Eun Mee, 'Contradictions and Limits of a Developmental State: With Illustrations from the South Korean Case', *Social Problems*, Vol. 40, No. 2, May 1993, p.233.

GNP and the ten biggest accounted for 23 per cent of value-added and 11 per cent of employment.[65]

Big business colluded with the state in suppressing labour activity. The availability of state riot police at management's request often escalated strikes into violent clashes.[66] South Korea's competitive edge was largely the result of cheap labour. But extremely long working hours, high rates of worker accidents, hazardous working conditions, in conjunction with low wage rates, made the situation ripe for the explosion of discontent. Workers often expressed their despair and the miserable conditions in which they worked through poems, songs and writings.[67] As with the 'new unionism' in Brazil in the 1970s, workers sought broader political change in the form of democracy and an end to exploitation and despotic management. As a result, labour volatility began to increase from the late 1960s onwards.

This increase in worker opposition was a direct consequence of rapid industrialisation. The swiftness and abrupt nature of economic transformation was enormous. In the space of three decades, South Korea advanced to first-world nation status. In 1963, it was one of the poorest countries in the world. GNP per capita was $87 dollars in 1962; by 1990, it had increased to $5,199.[68] This placed it in the upper-middle-income economies by the World Bank.[69] Industrial production accounted for a mere 9 per cent of the GNP in 1962, but it increased to 31 per cent in 1985, while the share of agricultural production dropped from 43 per cent to 15 per cent.[70] Statistics on trade levels and GNP growth also highlight the extent to which South Korea's economy boomed. International trade volume in 1965 was only $650 million, accounting for 21 per cent of GDP; the figure increased to $12.35 billion in 1975 and $61.42 billion in 1985.[71] The trade volume rose more than 20 times within two

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[65] McGuire, 'Development Policy and its Determinants in East Asia and Latin America', *op.cit.*, p.220.
[66] Park, 'Economic Hardships, Political Opportunity Structure and Challenging Actions', *op.cit.*, p.151.
[67] See Sohn, *op.cit.*, for workers' views on exploitation, class inequalities and poverty.
[68] Harvie, Charles and Hyun-Hoon Lee, *Korea's Economic Miracle: Fading or Reviving?* New York: Palgrave Macmillan, 2002, p.9.
[69] Hamilton and Kim, 'Economic and Political Liberalisation in South Korea and Mexico', *op.cit.*, p.115.
[70] Koo, Hagen, 'Middle Classes, Democratisation and Class Formations: The Case of South Korea', *Theory and Society*, Vol. 20, No. 4, August 1991, p.487.
[71] Moon, Chung-In and Jae-jin Yang, 'Globalisation, Social Inequality and Democratic Governance in South Korea', in Tulchin, Joseph (ed), *Democratic Governance and Social Inequality*, Boulder: Lynne Rienner Publishers, 1995, p.137.

decades and since 1975 has consistently accounted for more than 50 per cent of GDP.[72] From 1965 to 1990, average annual GNP growth was 9.8 per cent in Korea.[73]

Profound changes in South Korean society took place as a result of economic development. Millions of people from the countryside sought employment in the new factories and urban migration intensified during the EOI period.[74] It is estimated that approximately 11 million Koreans migrated from rural to urban areas between 1957 and 1980.[75] By the early 1980s, the number of factory workers had grown to 3 million and as the largest occupational grouping, it possessed huge potential power.[76] This power was visibly demonstrated from the 1970s and onwards, when the burdens of forced industrialisation became too much for Korean workers to bear.

c) *GROWING OPPOSITION TO PARK IN THE 1970s*

The increasing combativeness of civil society in the 1970s presented major problems for the government. Workers, students and church groups formed alliances in the struggle against authoritarianism. Their growing strength steadily chipped away at the state's power. An important event which brought labour concerns to the attention of broader Korean society was the death of Chun Tae-Il in November 1970. A garment worker in Seoul's Peace Market, Chun Tae-Il committed suicide in protest against low wages, unbearable working conditions and the government's repressive labour policies.[77] This was a watershed event for the independent labour movement – 3 days after Chun's death, students at Seoul National University held a rally and organised a Student League for the Protection of the People's Rights, conducting a factual investigation into Chun's death and labour

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[72] *ibid.*
[73] McGuire, 'Development Policy and its Determinants in East Asia and Latin America', *op.cit.*, p.208.
[74] Dalton, Bronwen and James Cotton, 'New Social Movements and the Changing Nature of Political Opposition in South Korea', in Rodan, Gary (ed), *Political Oppositions in Industrialising Asia*, London: Routledge, 1996, p.276.
[75] Koo, Hagen, 'From Farm to Factory: Proletarianisation in Korea', *American Sociological Review*, Vol. 55, No. 5, October 1990, p.675.
[76] Koo, Hagen, 'Engendering Civil Society: The Role of the Labour Movement', in Armstrong, Charles K (ed)., *Korean Society: Civil Society, Democracy and the State*, London and New York: Routledge, 2002, p.113.
[77] Hyug Baeg, Im, 'The Rise of Bureaucratic Authoritarianism in South Korea', *World Politics*, Vol. 39, No. 2, January 1987, p.254.

conditions in the Peace Market.[78] Demonstrations on university campuses increased, calling attention to the labour problem and living conditions of workers under the slogan, 'Combine the labour movement with the student movement'.[79] This campaign was joined by religious and civic leaders, while churches held prayer services demanding just application of the labour laws.[80] Chun Tae-Il's death not only highlighted the plight of factory workers, but it also led to the formation of the Chonggye Garment Workers Union (CGWU). The CGWU was the first union formed by women workers and was instrumental in staging demonstrations against the system of labour control over the next several years.

Worker activism however, was severely restricted following a political blow to the regime. After a near loss in the May 1971 general election, Park responded by dissolving the National Assembly and declaring the new 'Yushin' (revitalising) constitution. It was also an attempt to quash worker and student demands for increased political openness following the death of Chun Tae-Il. The Yushin period marked a particularly harsh period of authoritarian rule – Park was provided with the constitutional means to exercise dictatorial power. Under the Yushin state, even more strict controls over labour and the media were imposed. Labour control took such legislative forms as the law of Special Measures for the Security of the Nation (December 1971) which expanded compulsory government arbitration to all industries so that most labour disputes came under the jurisdiction of administrative agencies whose ruling became final and binding.[81] Violations were treated as criminal offenses and punished under criminal law.[82]

Such measures also had a broader economic purpose – they were designed to limit industrial action with the state's shift toward industrial deepening. The Heavy and Chemical Industries drive (HCI) in the early 1970s was designed to make Korea less dependent on imports and to establish new export industries by giving more depth and integration to the economic structure.[83] Six strategic sectors were targeted including steel, heavy machinery, shipbuilding, petrochemicals, automobiles and electronics. The rapid

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[78] Sohn, *op.cit.*, p.35.
[79] *ibid.*
[80] *ibid.*
[81] Bello and Rosenfeld, *op.cit.*, p.31.
[82] Kim, 'Contradictions and Limits of a Developmental State', *op.cit.*, p.234.
[83] Bello and Rosenfeld, *op.cit.*, p.57.

expansion of these industries, in conjunction with appalling working conditions, created a large, militant working class which reached out to other disaffected groups.

In spite of heavy-handed state repression, several sectors in society continued to organise and form alliances. Workers sought democratic trade unions, wage increases, eight hour work days, an end to violent police repression and better working conditions.[84] They demanded the right to collective action, bargaining and association. Students, the democratic opposition and many intellectuals also supported worker activism – students became involved in disputes while the NDP and dissident intellectuals brought labour issues to the political battleground.[85] Church groups played an important role in supporting grassroots labour struggles – they provided guidance and shelter for activists, ran workers' night schools and organised small group activities to raise worker consciousness.[86] Leading the resistance was the Urban Industrial Mission (UIM), the Young Catholic Workers' Organisation (JOC), the Korean National Council of Churches and the Student Christian Federation. Workers found a way around the harsh labour laws by turning to church groups for opportunities to air their grievances.[87]

Collective action in the 1970s was fuelled by workers' growing consciousness. Economic inequality associated with rapid economic growth became a serious social problem and beginning with Chun Tae-Il, worker protests exposed the inhumane conditions of factory work.[88] Continuing low wages, despite increases in economic and industrial production, generated widespread resentment amongst workers. As the anti-government movement developed with its growing alliances and its increasing concern for social justice as well as democracy, the National Alliance for Democracy (NAD) was formed in July 1978 to oppose authoritarian rule – it campaigned for an end to the dictatorship, a guaranteed minimum standard of living and for a self-reliant national economy.[89] As economic disparities became more visible and as the Park regime became more brutal, the various

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[84] Irwan, Alexander, 'Real Wages and Class Struggle in South Korea', *Journal of Contemporary Asia*, Vol. 17, No. 4, 1987, p.401.
[85] Hyug Baeg, 'The Rise of Bureaucratic Authoritarianism in South Korea', *op.cit.*, p.254.
[86] Koo, 'Engendering Civil Society', in Armstrong, *op.cit.*, p.112.
[87] Sohn, *op.cit.*, p.132.
[88] Koo, Hagen, 'Modernity in South Korea: An Alternative Narrative', *Thesis Eleven*, No. 57, May 1999, p.59.
[89] Sohn, *op.cit.*, p.143.

movements converged and labour issues became the dominant theme of Korean political struggles.[90]

Female workers laid the groundwork in the struggle to establish independent unionism. Labour-intensive light industries dominated the early period of industrialisation. In 1963, there were only 182,000 female workers in the manufacturing sector but the number increased to 1.4 million by 1985.[91] Women workers were concentrated in a few light manufacturing industries such as textiles, garments, shoes and the electronics industries which grew most rapidly in the 1960s and through the middle of the 1970s.[92] Male workers, on the other hand, were disproportionately concentrated in heavy and chemical industries which began expanding later – in the early to mid 1970s.[93] Working conditions in the female-dominated industries were often appalling. Low wages, coupled with atrocious working conditions, despotic management and sexist treatment, compelled women to take industrial action. From the early 1970s, female workers played a leading role in the major disputes of the decade. The bitter confrontations between workers and the state had unsettling implications for the regime – the harsh Yushin restrictions were not a deterrent. Instead, labour activism during this period verged on the "insurrectionary".[94] Following the death of Chun Tae-Il, women workers formed the CGWU in the Peace Market section of Seoul, where over 20,000 workers laboured in more than 1,000 sweatshops.[95] Over the next 10 years, the CGWU used demonstrations, sit-ins and hunger strikes in their struggle.[96]

The Ban-do textile company branch union was formed by women and in 1974, 1,000 women staged a massive sit-in.[97] In the mid 1970s, a woman was elected as leader of the Dong-Il Textile Company union and in 1976, women workers at the Dong-Il Textile Company clashed with armed police when they tried to occupy the factory in protests

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[90] Koo, Hagen, 'The State, Industrial Structure and Labour Politics: Comparison of Taiwan and South Korea', in Hsiao, Hsin-Huang Michael, Wei-Yuan Cheng and Hou-Sheng Chan (eds), *Taiwan: A Newly Industrialised State*, Taipei: National Taiwan University, 1989, p.574.
[91] Koo, 'From Farm to Factory', *op.cit.*, p.676.
[92] *ibid.*
[93] *ibid.*
[94] Bello and Rosenfeld, *op.cit.*, p.34.
[95] *ibid.*, p.35.
[96] *ibid.*, p.33.
[97] *ibid.*

against the management's attempts to bust their genuine democratic union.[98] An independent union was also created when female workers broke away from the Won-pung Textile Company branch union in the mid-1970s.[99] In 1976, women at the Pangnim Textile Company, one of Korea's largest firms, declared a strike after their demands for payment of overtime and a reduction of working hours were refused.[100] More than 800 women workers at the Namyoung Nylon Company took strike action against the union leadership's acceptance of a low wage offer in 1977.[101] These incidences demonstrate that women not only formed independent unions, but they defied Confucian myths of female submissiveness – their efforts to organise democratic unions was all the more formidable in the context of the social and cultural norms which permeated patriarchal Korean society. Even though labour conflicts become more frequent during this period, in most cases they were broken up through management's collusion with police forces, the KCIA and brutal repression. They did, however, set the stage for a labour dispute which would serve as a catalyst in the downfall of the Park regime at the end of the 1970s.

d) THE Y.H. COMPANY INCIDENT

By 1979, opposition to Park was stronger than in previous years – labour disputes were more numerous, students, religious groups and the NDP were more vocal in their criticism of authoritarianism and the regime's grip on dissent was no longer all-inclusive. The incident which sparked widespread demonstrations against the Park regime occurred in 1979 at the Y.H. Wig and Garment Company in Seoul. Y.H. was one of the numerous textile-apparel manufacturing plants which were the mainstay of Korea's exports.[102] Women made up the majority of workers and a few years earlier, they had formed a democratic union and gained some improvements in working conditions.[103] The situation, however, appeared bleak in August 1979 when the firm went bankrupt and closed down.[104]

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[98] Asia Monitor Resource Centre, *Min-Ju, No-Jo, South Korea's New Trade Unions: The Struggle for Free Trade Unions*, Hong Kong: AMRC, 1987, p.24.
[99] Soonok, *op.cit.*, p.121.
[100] *ibid.*, p.122.
[101] Asia Monitor Resource Centre, *op.cit.*, p.24.
[102] Nam, Koon Woo, *South Korean Politics: The Search for Political Consensus and Stability*, Lanham, Maryland: University Press of America, 1989, p.161.
[103] Soonok, *op.cit.*, pps.176,177.
[104] *ibid.*, p.179.

To protest against the loss of their jobs, 190 female employees staged a sit-in demonstration.[105]

When management tried to break the strike, the women moved their protests to the headquarters of the NDP where they staged a sit-in hunger strike.[106] The strike gained widespread attention from the media and increasing support from the public – large crowds of supporters gathered outside the building, as well as other democratic unions, including the Dong-Il and Ban-do unions.[107] Religious groups, academics, journalists and civil rights activists all lent material and moral support.[108] On the third day of their strike, 1,000 riot police violently stormed the NDP building, killing one worker and injuring 100 people including NDP members and journalists.[109] All the women workers were severely beaten and arrested with the police wielding batons and iron pipes and firing tear gas.[110] The government charged the UIM with having instigated the sit-in and detained two clergymen – the leader of the NDP, Kim Young Sam, was accused by the government of 'provoking' the clash by providing the women workers with shelter and for drawing public attention to their plight.[111]

Police brutality in crushing what was perceived to be a legitimate protest sparked widespread anger and resentment. The womens' resistance served as a rallying cry to coalesce the anti-government forces.[112] It triggered several more widespread anti-government demonstrations throughout the following months. In September, student demonstrations in Taegu led to fierce street fighting with police.[113] Although student actions were the most militant, they were not the only demonstrators – church figures, intellectuals, workers, and the urban masses in general also participated. Political tension mounted when the DRP voted to expel Kim Young Sam from the National Assembly on October 4 after he succeeded in gaining control of the outspoken anti-government faction

[105] *ibid.*
[106] Nam, *op.cit.*, p.161.
[107] Soonok, *op.cit.*, p.179.
[108] *ibid.*
[109] Nam, *op.cit.*, p.161.
[110] Sohn, *op.cit.*, p.157.
[111] Nam, *op.cit.*, pps.161-162.
[112] Soonok, *op.cit.*, p.180.
[113] *ibid.*

of the NDP.[114] A week later, opposition assemblymen resigned en masse. In Pusan, the second largest city in Korea, student protests erupted into full-scale anti-government rioting.[115]

Protests were not restricted to shouting slogans – they included hand-to-hand fighting with the police and organised attacks with firebombs on police stations, vehicles and government buildings.[116] Rioting of similar intensity spread to the nearby city of Masan, followed by Chongju and Seoul and martial law was declared in the Masan-Pusan area.[117] The force of anti-government sentiment shook the entire nation, engulfing Korea's major universities and reactivating political mobilisation. Amidst the deteriorating political situation, a disagreement on how to handle civil unrest arose between Park and the director of the KCIA, Kim Jae Kyu – the outcome of the disagreement was Park's assassination at the hands of Kim on 26 October, 1979. The end of Park's 18-year rule was not solely caused by the Y.H. incident, rather, it provided a mass outlet for the release of accumulated discontent. Working class struggles became more intimately enmeshed in the larger political struggles against the authoritarian state.[118] The shifting balance of power between the state and society was evident in strengthened oppositional forces. In the next decade, resistance to authoritarianism was unleashed with an unexpected intensity.

CHUN DOO HWAN (1980-88) – THE BEGINNING OF THE END

a) MILITARY RULE

Park's assassination resulted in the immediate collapse of authoritarianism. In the political vacuum which followed there was a massive mobilisation of civil society. By the 1980s, the forces which were in favour of democracy were much stronger and combative – they could not be repressed. When authoritarian labour controls were removed in the aftermath

[114] Eckert *et al, op.cit.*, p.371.
[115] Nam, *op.cit.*, p.167.
[116] Soonok, *op.cit.*, p.181.
[117] *ibid.*
[118] Koo, 'Engendering Civil Society', in Armstrong, *op.cit.*, p.113.

of Park's assassination, an independent labour movement expanded.[119] In the new political space, the number of labour conflicts dramatically increased. In the first five months of 1980, the *Korea Times* reported 897 labour disputes, more than twice the 427 recorded in all of 1979.[120]

In spite of demands for democratisation, a military coup in December 1979 resulted in another General assuming power, Park's former Defense Security Commander, Chun Doo Hwan. In an attempt to stem the tide of intensifying social and political activity, Chun declared martial law on 17 May, 1980. On the same day, a leading opposition politician, Kim Dae Jung was arrested for his outspoken criticism of the government. In the city of Kwangju, protests erupted in opposition to the military regime on 18 May. Kwangju was not only the home of Kim Dae Jung, but it was also the capital of one of the poorest provinces in South Korea, South Cholla.[121] Known as the Kwangju Uprising, students and citizens rose up to demand not only Kim's freedom, but also their fair share of economic growth.[122] After demonstrations were savagely repressed by paratroopers, the whole city rose up and the main streets became battlefields.[123] Military occupation of the city resulted in 10 days of clashes and the massacre of hundreds of people. The government claimed that 200 people were killed, in reality however, the figure was closer to 2,000.[124] It was a traumatic event for South Koreans – millions were shocked and horrified at the savage nature of the military's actions. Although the regime tried to stifle and distort reports on the violence, knowledge of what happened was widely circulated.[125] Anti-Chun passions rose even higher in Kwangju and throughout South Korea when the government refused to acknowledge any responsibility for the massacre.[126] The massacre was, according to John Lie, the single most politicising event for anti-government activists in the 1980s.[127] It

[119] Kwon and O'Donnell, 'Repression and Struggle', *op.cit.*, p.285.
[120] Launius, 'The State and Industrial Labour in South Korea', *op.cit.*, p.6.
[121] Lie, *op.cit.*, pps.120-121.
[122] *ibid.*, p.121.
[123] Han, In Sup, 'Kwangju and Beyond: Coping with Past State Atrocities in South Korea', *Human Rights Quarterly*, Vol. 27, 2005, p.1001.
[124] Peterson, Mark, 'Americans and the Kwangju Incident: Problems in the Writing of History', in Clark, Donald N (ed)., *The Kwangju Uprising: Shadows over the Regime in South Korea*, Boulder and London: Westview Press, 1988, p.55.
[125] Lie, *op.cit.*, p.121.
[126] Eckert *et al, op.cit.*, p.378.
[127] Lie, *op.cit.*, p.121.

continued to haunt Chun and more than any other single factor, it denied his regime legitimacy.[128]

In the aftermath of the massacre, authoritarian controls were reimposed. The military suspended all political activity and repressed the labour movement. Thousands of workers were purged from unions and 'rectification' or 'reeducation' camps were set up where the most militant activists were 'deprogrammed' of their leftist thinking. A 'purification' campaign was also unleashed in all public and private bodies which effectively set targets for the weeding out of the subversive.[129] Close to 8000 government employees were fired and 40,000 'hooligans', including political dissidents, were rounded up.[130] Extensive media censorship and the prohibition of political activities were reminiscent of the worst of the Park era. The Trade Union Act in 1981 once gain prohibited the involvement of third parties in workplace industrial relations.[131] These setbacks temporarily prevented labour, students and other political dissidents from organising sustained resistance to Chun. Nevertheless, the tide would soon turn and popular resistance in the mid-1980s posed the greatest challenge that any South Korean government had ever seen.

b) POLITICAL LIBERALISATION & DEMOCRATISATION

Over the next few years, Chun sought to rectify his tainted political image and gain legitimacy by focusing on economic growth. The early 1980s were marked by an economic downturn. Through the enforcement of a stabilisation policy, the Chun regime managed to recover economic growth from -5.2 per cent in 1980 to 11.9 per cent in 1983 and also brought down the inflation rate from 28.7 per cent to 3.4 per cent in 1983.[132] Confident about the stability of his rule, beginning in December 1983, Chun relaxed the government's political control.[133] Through the University Autonomy Measure, police forces stationed in the universities were removed from campuses, students and professors who were expelled

[128] Eckert *et al, op.cit.*, p.378.
[129] Asia Monitor Resource Centre, *op.cit.*, p.25.
[130] Lee, Manwoo, *The Odyssey of Korean Democracy: Korean Politics, 1987-1990*, New York: Praeger, 1990, p.6.
[131] Kwon and O'Donnell, 'Repression and Struggle', *op.cit.*, p.285.
[132] Pak, Sejin, 'Two Forces of Democratisation in Korea', *Journal of Contemporary Asia*, Vol. 28, No. 1, 1998, p.50.
[133] *ibid.*

for their anti-government activities were restored to their original positions and political activities allowed for opposition politicians.[134] But this limited liberalisation greatly intensified the anti-regime efforts of students, opposition parties and other dissident groups.[135]

Mass organisation rapidly reappeared and dominated the national scene. In February and March of 1984, university students restored and reorganised anti-government student groups.[136] In November 1984, students from 42 universities and colleges organised the National Student Coalition for Democratic Struggle *(Chonhangnyon).*[137] This was the first nationwide student organisation since the April revolution of 1960 which led to the downfall of Rhee. The Korean Council for Labour Welfare (KCLW) was organised in March 1984. Composed of various labour unions that had spearheaded the anti-Yushin and pro-democracy struggles in the 1970s, including the Chonggye union, the KCLW tried to restore and strengthen unity and solidarity among labour movement groups. The KCLW and Chonggye union jointly launched a massive campaign against the labour laws. Students and labour resurrected their alliance and co-operated with each other to restore labour unions. In addition, church groups, such as the National Catholic Priests' Corps for the Realisation of Justice (NCPCRJ) assisted the labour movement, waging a signature campaign for the revision of labour laws.[138] Almost every sector of society came forward to articulate their demands and oppose the government – students, workers, the middle classes, church groups, farmers, women's groups and opposition politicians.

Expanding organisation led to a significant gain for the opposition party. In January 1985, a newly formed opposition party, the New Korea Democratic Party (NKDP) was established by reinstated opposition politicians, just before the National Assembly elections in February and it aligned itself with civil society groups In the February elections, Chun's government party, the Democratic Justice Party (DJP) was almost defeated by the NKDP

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[134] *ibid.*
[135] Hsiao, Hsin-Huang Michael and Hagen Koo, 'The Middle Classes and Democratisation,' in Diamond, Larry, Marc F. Plattner, Yun-han Chu and Hung-mao Tien (eds), *Consolidating the Third Wave Democracies: Themes and Perspectives*, Baltimore and London: The Johns Hopkins University Press, 1997, p.315.
[136] Kim, Sunhyuk, 'Civil Society and Democratisation', in Armstrong, *op.cit.*, p.94.
[137] *ibid.*
[138] The above account is from Kim, Sunhyuk, 'Civil Society and Democratisation', in Armstrong, *op.cit.*, p.94.

which received 29.2 per cent of the popular vote against the DJP's 35.3.[139] The NKDP's gains galvanised civil society and led to the formation of nationwide alliances. Student groups, youth, labour unions, religious organisations and other civil society groups were united and coordinated under the unified leadership of the umbrella organisation, the People's Movement Coalition for Democracy and Reunification (PMCDR).[140] Established in March 1985, the PMCDR was not just a group of elite dissidents – it was reflective of the alliance of students, labourers and religious leaders.

Pressure kept mounting on the regime and escalating demonstrations placed Chun on the defensive. Starting in early 1986, religious activists issued a series of declarations and statements reprimanding the regime and demanding an immediate constitutional revision.[141] Launching a 'non-confidence' campaign against the government, 783 professors at 29 colleges and universities nationwide publicly announced 'statements on the current situation'.[142] The NKDP also launched a campaign to collect 10 million signatures throughout South Korea in support of constitutional revision in February 1986. Despite a series of harsh police crackdowns on NKDP headquarters and the arrest of activists, the campaign continued. In order to stem the tide of mobilisation, Chun announced in April 1986 that he would support any constitutional change endorsed by the National Assembly and that he would leave office in February 1988.[143] Unimpressed, students persisted in their efforts to bring down authoritarianism. In April and May 1986, two students committed suicide through self-immolation to protest the continued presence of US troops and demonstrations erupted in the industrial city of Inchon.[144] Led by radical workers and students, 10,000 people participated.[145] Leftist university groups, such as Minmintu and Jamintu demanded 'conventions of the masses' to discuss the outline of a new constitution.[146] The impetus for democratisation was maintained when it was publically disclosed in June 1986 that In-Sook Kwon, a female university student, had been sexually

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[139] Cotton, James, 'From Authoritarianism to Democracy in South Korea', *Political Studies*, Vol. 37, No. 2, June 1989, p.250.
[140] Kim, 'Civil Society and Democratisation', in Armstrong, *op.cit.*, p.94.
[141] *ibid.*, p.95.
[142] *ibid.*
[143] Johnson, Chalmers, 'South Korean Democratisation: The Role of Economic Development', *The Pacific Review*, Vol. 2, No. 1, 1989, p.8.
[144] Hoon, Shim Jae, 'A Radical Solution', *Far Eastern Economic Review*, Vol. 132, No. 20, May 1986, p.36.
[145] *ibid.*
[146] *ibid.*

assaulted by police at the Puchun station – this incident shocked Korean society. An important consequence was that it mobilised the middle class, who were outraged at such a gross abuse of government power. Middle class involvement in the struggle to bring down the Chun regime was a major factor in the transition to democracy.

c) THE MINJUNG MOVEMENT

A defining characteristic of the South Korean transition to democracy was the broad democratic front formed between civil society groups. Such an alliance represented an enormous threat to the government. Middle class support for student demonstrations in June 1987 played a critical role in bringing about a political opening.[147] Facilitating this loose coalition was the re-emergence of the concept of *minjung* as a unifying ideology, a term which literally translates as the masses or the popular classes.[148] The concept refers to the three *min* principles: *minjung* (the people), *minjok* (the nation) and *minju* (democracy).[149] Uniting the middle classes, working classes, urban poor and farmers together, the *minjung* movement brought together disparate social elements in the struggle for a common goal: a democratic South Korea. It implied an alliance of Koreans alienated from power and from the distribution of the fruits of economic growth.[150]

The political environment of the 1970s contributed to the contemporary development of the *minjung* movement – the most significant factor being the hardening of the authoritarian state under Yushin which intensified student, opposition party, religious and intellectual struggles against the regime.[151] Under Chun, the *minjung* movement developed into a more organised and popular opposition movement with broader popular support.[152] Reactivation of *minjung* also included the use of traditional cultural forms to express political dissent.

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[147] Koo, 'Modernity in South Korea', *op.cit.*, p.61.
[148] Dalton and Cotton, 'New Social Movements and the Changing Nature of Political Opposition in South Korea', in Rodan, *op.cit.*, p.279.
[149] Lee, *op.cit.*, p.7.
[150] Koo, 'The State, *Minjung* and the Working Class in South Korea', in Koo, *State and Society in Contemporary Korea*, *op.cit.*, p.131.
[151] Koo, 'Modernity in South Korea', *op.cit.*, p.59.
[152] Cho, Hee-Yeon and Eun Mee Kim, 'State Autonomy and its Social Conditions for Economic Development in South Korea and Taiwan', in Kim, Eun Mee (ed), *The Four Asian Tigers: Economic Development and Global Political Economy*, San Diego: Academic Press, 1998, p.148.

Students used popular culture as an instrument for raising critical consciousness – during protests, they danced to farmers' music, dressed in traditional farmers' white clothes and battled with riot police.[153] This was the mask-dance drama, with its characters depicted as struggling against exploitative company owners.[154] Social and political protests were staged in the form of reconstructed folk culture.[155] In this way, *minjung* became a powerful political symbol and provided a new social identity for all who participated in the opposition to authoritarian rule.[156]

THE 1987 JUNE PEOPLE'S UPRISING

The culmination of the democratic struggle to end authoritarianism was the June 'People's Uprising' in 1987. An important incident which carried the pro-democracy momentum forward was the death of Pak Chong Chol. On 14 January 1987, Seoul National University student activist, Pak was tortured to death during a police interrogation.[157] Pak's death vividly demonstrated the immoral, illegitimate and violent nature of the regime.[158] This abuse of state power repulsed the middle classes – many joined the democratic coalition which spilled out into the streets in record numbers.

Mass mobilisation intensified after 13 April, 1987, when Chun publicly declared that constitutional reform would be postponed.[159] Immediately, university professors initiated a public statement, criticising and opposing Chun's decision. One of the main demands of the movement was for direct presidential elections. Artists, novelists, writers and actors followed suit, while religious leaders and priests staged a series of hunger strikes. Violent anti-government protests by students, labour unions and other civil society groups spread

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[153] Chungmoo, Choi, 'The *Minjung* Culture Movement and the Construction of Popular Culture in Korea', in Wells, Kenneth M (ed)., *South Korea's Minjung Movement: The Culture and Politics of Dissidence*, Honolulu: University of Hawaii Press, 1995, p.108.
[154] *ibid.*
[155] *ibid.*
[156] Koo, 'The State, *Minjung* and the Working Class in South Korea', in Koo, *State and Society in Contemporary Korea*, *op.cit.*, pps.131-132.
[157] Won-Mo, Dong, 'The Democratisation of South Korea: What Role Does The Middle Class Play?' in Cotton, James (ed), *Korea under Roh Tae-Woo: Democratisation, Northern Policy and Inter-Korean Relations*, St. Leonards: Allen and Unwin, 1993, p.87.
[158] Kim, 'Civil Society and Democratisation', in Armstrong, *op.cit.*, p.97.
[159] *ibid.*, pps.96-97.

across the country and tens of thousands of South Koreans in major cities demonstrated against the decision. In May 1987, the National Movement Headquarter for Democratic Constitution (NMHDC) was formed. It consisted of the PMCDR and 25 other major civil society groups and covered all major sectoral groups and geographical areas. The PMCDR and the NKDP set up the National Coalition for Democracy Movement and coordinated, organised, mobilised and led mass rallies in major cities of the country throughout April and May. The number of participants in these mass rallies exceeded 700,000 in total.[160] People from all walks of life were mobilised under the banner of 'Down with the military regime and up with a democratic government'.[161]

Popular frustration exploded on an unprecedented scale on 10 June. Roh Tae Woo, a former general, was nominated at the national convention of the DJP to succeed Chun as the presidential candidate in an indirect election. Only hours after the selection of Roh, Seoul and more than 30 other cities across South Korea were hit by the outbreak of violent anti-government protests.[162] On the same day, the NMHDC organised an 'Uprising rally to defeat the April 13 decision and to end dictatorship'.[163] Korea's universities and colleges went into summer vacation ahead of schedule – in the first two days of protests, 738 policemen were injured.[164] By 15 June, some 6,094 people had been detained and by 18 June, downtown Seoul looked like a war zone.[165] According to national police headquarters, police officers fired 351,200 tear gas canisters from 10 to 26 June – an average of 20,660 per day.[166] In the same period, 164 police vehicles were damaged and 262 police stations and substations attacked.[167]

For nearly three weeks, pro-democracy demonstrators clashed with police on the streets and riots rocked the nation. Particularly disturbing for the regime was the presence of many middle-class Koreans.[168] White collar workers, professionals, small and medium-sized factory managers, technicians, independent business people and public servants all joined

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[160] The above account is from Kim, 'Civil Society and Democratisation', in Armstrong, *op.cit.*, pps.96-97.
[161] *ibid.*
[162] Nam, *op.cit.*, p.308.
[163] Kim, 'Civil Society and Democratisation', in Armstrong, *op.cit.*, p.97.
[164] Lee, *op.cit.*, p.37.
[165] *ibid.*
[166] *ibid.*
[167] *ibid.*
[168] Nam, *op.cit.*, p.309.

the struggle.[169] Housewives, lawyers and many Catholic and Protestant church leaders and their congregations also rushed into the streets to express their support for democratic change.[170] In Myung-dong (a busy downtown office and commercial district in Seoul) white-collar office workers demonstrated daily during their lunch hours.[171]

The use of force to crush these protests was a problem for the Chun regime because such action would tarnish its reputation ahead of the Seoul Olympic Games in 1988. Mass upheaval sent a message that was so loud and clear that even the hardliners within the government were reluctant to call the military from the barracks.[172] It is estimated that over three weeks, four to five million people were involved in demonstrations.[173] The National Coalition for a Democratic Constitution (NCDC) was activated and clashed with the government – it consisted of a loose coalition of religious figures, journalists, students and opposition politicians.[174] Organising and coordinating local branches throughout the country, the NMHDC was also responsible for mobilising huge pro-democracy demonstrations.[175] Not since the 1960 April student revolution had South Korea experienced such upheaval. Many shopkeepers also supported student demonstrators by delivering food and money to sit-in protestors and providing shelter to student demonstrators chased by the police.[176] On 26 June, the NMHDC held the 'Peace Parade' in which one million people participated nationwide.[177]

Accumulation of immense pressure on the regime eventually forced it to accept popular demands for democratisation. Known as the 29th June declaration, Roh officially agreed to the opposition's demands for direct presidential elections in December 1987 and reform of the constitution. An eight-point proposal was put forward which included the guarantee of fair presidential elections, freedom of the press, release of political prisoners and the

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[169] Kim, Sunhyuk, 'Civil Society in South Korea', *op.cit*, p.91.
[170] Hamilton and Kim, 'Economic and Political Liberalisation in South Korea and Mexico', *op.cit.*, p.120.
[171] *ibid.*
[172] Lee, Kap Yun, 'Electoral Connection of an Authoritarian One-Man Rule: Parties, Elections and Electoral Systems in South Korea (1948-1991)', in Lee, Hong Yung and Dal-joong Chang (eds), *Political Authority and Economic Exchange in Korea*, Seoul: Oruem, 1994, p.23.
[173] Pak, 'Two Forces of Democratisation in Korea', *op.cit.*, p.60.
[174] Lee, *op.cit.*, p.37.
[175] Kim, 'Civil Society and Democratisation', in Armstrong, *op.cit.*, p.97.
[176] Koo, Hagen, 'Middle Classes, Democratisation and Class Formation: The Case of South Korea', *Theory and Society*, Vol. 20, No. 4, August 1991, p.491.
[177] Kim, 'Civil Society and Democratisation', in Armstrong, *op.cit.*, p.97.

relaxation of restrictive labour controls.[178] Roh's declaration was a major breakthrough for the democratic opposition. It was the direct result of grassroots mobilisation and a classic example of 'people power'. The enormous pressure placed on the regime by ordinary South Koreans outweighed government attempts to crush the democracy movement. Although elite-led transitology acknowledges a 'resurrection of civil society'[179] it does not recognise the intensity or the tremendous impact of the popular sector's protests, as well as their wide-ranging nature. South Korea is an irrefutable example of civil society's capacity to make a collective stand and initiate a transition to democracy.

CONCLUSION

From Japanese colonialism to Chun Doo Hwan, governments in South Korea were routinely faced with a restless and rebellious population. Although each government relied on force to deal with the threat from below, in various periods, the popular classes were able to disrupt authoritarian government by demanding democracy. The most repressive period however, occurred under General Park and the developmental state. Park's policies not only created a large, militant working class, also laid the groundwork for the mass discontent which emerged at the end of the 1970s with the Y.H. Company incident. The continuation of authoritarianism under Chun temporarily placed the brakes on popular protest against the regime. Widespread disillusionment set in with the Kwangju massacre, an incident which delivered a crushing blow to the faltering legitimacy of Chun's rule. The excesses of authoritarianism (the sexual assault of In-Sook Kwon and the torture death of Pal Chong Chol) were also a contributing factor which led the middle classes to join the broad, pro-democracy movement, leading to Chun's 'democracy declaration'.

South Korea's transition was not the sole result of elite actions – Chun's decision to initiate liberalisation measures was the outcome of popular pressure and frustration that had been building for years and peaked in the 'Peace Parade' in which one million South Koreans participated. The pro-democracy movement had grown so large by mid-1987 that wide-scale repression, like the Kwangju massacre, was impossible. Similarly to Mexico and

[178] Jae-Youl, Kim, 'Democratisation in South Korea', in Cotton, *op.cit.*, p.44.
[179] O'Donnell and Schmitter, *Transitions from Authoritarian Rule*, Vol. 4, *op.cit.*, p.48.

Brazil, the South Korean transition was initiated because of the government's desire to defuse social and political tensions while still retaining tight control – the leadership was not genuinely committed to installing a democratic government. Nowhere is the strength of the popular sector more evident than in the labour movement offensive launched by in the summer of 1987 – the 'hot summer' – following the 'democracy declaration'. Exploding onto the scene with unprecedented force, the organised working class dominated politics and society for the next several years.

CHAPTER 7: THE SOUTH KOREAN LABOUR MOVEMENT

INTRODUCTION

Roh Tae Woo's democracy declaration in late June 1987 appeased middle-class demands for democratic change. By promising constitutional reform and direct presidential elections, the declaration ended the mass protests which had destabilised South Korea for over a month. This concession, however, failed to address the economic and political concerns of the labour movement. In response, workers initiated a nationwide series of strikes which placed them centre stage in the struggle for democratic change. Beginning in July 1987 and lasting for the next several months, the political opening which accompanied the declaration was followed by an unprecedented and spontaneous wave of strikes known as the 'Great Workers' Struggle'. The whole nation was taken by surprise at the scale and intensity of industrial action – it alarmed the government and big business interests. Workers maintained the impetus behind the transition to democracy by calling for the introduction of democratic processes in the workplace.

The Great Workers' Struggle was historically significant – it represented a milestone for the South Korean labour movement because it brought workers to the forefront in the struggle for democracy. They collectively attacked a political and economic system which had sacrificed worker rights in order to achieve rapid development. Workers took the opportunity to express their long-held resentments by launching militant and destabilising protests. Under authoritarianism, labour was excluded rather than co-opted. There were no safety valves established by the state through which it could channel and direct worker grievances. Unlike the CTM and PRI in Mexico or the PT in Brazil, South Korean workers had no formal party representation. When worker activism emerged, the state lacked the means to direct labour discontent into officially sanctioned channels – it was beyond government control and, therefore, highly threatening.

THE SUMMER OF DISCONTENT (JULY-SEPT 1987) – THE LABOUR MOVEMENT BURSTS ON TO THE POLITICAL SCENE

Large strikes erupted immediately after the Democracy Declaration, spreading quickly throughout the country and shutting down production in all major industries. Within a year, as many as 4,000 new unions were established with an increase of 700,000 in union members.[1] The number of labour disputes between July and September 1987 was more than the total number during the entire Park and Chun regimes.[2] Much of the conflict occurred in the large factories of heavy industry. Strikes occurred in 221 out of the 342 firms with more than 1,000 employees.[3] Close to 65 per cent of large industrial firms were hit by labour turmoil.[4] The manufacturing sector experienced the highest level of industrial action – it accounted for 52 per cent of strikes in 1987 and 42 per cent in 1988.[5] Not limited to large enterprises, disputes also took place in small and medium-sized factories – 38.5 per cent of factories with fewer than one thousand employees were affected by the strike wave.[6]

Extensive mobilisation was not just a blue-collar phenomenon – the 'Great Workers' Struggle' also struck the white-collar sector. Various industries, including education, health, banking, finance, insurance, tourism and research (public and private) were affected by unionisation drives. Both white and blue collar efforts to establish genuine democratic unions were not only driven by economic factors, but also by political considerations. Emerging from decades of authoritarian control, employees demanded an extension of political democracy in the workplace, calling for a reduction in the level of state control and independence from the government. The aggressive unionisation struggles among media workers, teachers, researchers and printing-industry employees were reactions to the lack of democracy in Korean workplaces and to the state's political and ideological control over intellectual production.[7] Journalists, teachers and researchers had often been forced to

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[1] Koo, 'Modernity in South Korea', *op.cit.*, p.62.
[2] Koo, 'The State, *Minjung* and the Working Class in South Korea', in Koo, *State and Society in Contemporary Korea*, *op.cit.*, p.156.
[3] Hyug Baeg, 'State, Labour and Capital in the Consolidation of Democracy' *op.cit.*, p.12.
[4] *ibid.*
[5] Kim, 'The Korean Union Movement in Transition', in Frenkel, *op.cit.*, p.151.
[6] Ogle, George E., *South Korea: Dissent Within the Economic Miracle*, London and New York: Zed Books, 1990, p.116.
[7] Koo, Hagen, *Korean Workers: The Culture and Politics of Class Formation*, Ithaca and London: Cornell University Press, 2001, p.177.

produce state-dictated materials.[8] Now, a new generation of intellectuals who had gone to university during the politicised decade of the 1980s began to refuse to do so.[9]

The 'Great Workers' Struggle' began in an area which played a critical role in South Korea's rapid economic development. Located on the southeast coast, Ulsan employed thousands of workers in the heavy and chemical industries which were the focus of the HCI drive which began in the early 1970s. One of the largest *chaebols* in the country and its subsidiary companies were located in Ulsan – Hyundai. By the early 1980s, an industrial belt of heavy industry, including steel, machinery, shipbuilding, automobiles and industrial chemicals, stretched 40 miles along the Ulsan coast.[10] Each year in the late summer and early autumn, the Ulsan coast was struck by a series of typhoons – the sudden burst of labour strikes in the summer of 1987 came to be known as the Ulsan Typhoon.[11] Strikes in other major industrial centres with large working class communities quickly followed – Pusan, Inchon, Changwon and Masan.[12] By mid-August, extensive worker mobilisation reached the Seoul-Kyungin region and spread to smaller cities in the southwest where the smaller light manufacturing industries were concentrated.[13] The emergence of densely populated industrial towns such as Kuro, Ulsan, Kumi, Changwon and Okpo facilitated the development of working class communities and solidarities.[14]

A critical factor which distinguished the Great Workers' Struggle from the labour conflicts of the 1970s and early 1980s was the fact that it occurred without the initiation, leadership or active support from the intellectual and religious communities that had played such a critical role in the pre-1987 labour movement.[15] Although the middle class initially supported the strikes and students became involved in organisational efforts, it was a genuine workers' movement. The FKTU played little role in the strikes – labour actions were beyond government control or manipulation. Rank and file mobilisation was

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[8] Koo, 'Engendering Civil Society', in Armstrong, *op.cit.*, p.117.
[9] *ibid.*
[10] Vogel, Ezra F. and David L. Lindauer, 'Toward a Social Compact for South Korean Labour', in Lindauer, David L. *et al* (eds), *The Strains of Economic Growth: Labour Unrest and Social Dissatisfaction in Korea*, Harvard: Harvard Institute for International Development and Korea Development Institute, Harvard University Press, 1997, p.106.
[11] *ibid.*
[12] Koo, *Korean Workers, op.cit.*, p.158.
[13] *ibid.*
[14] Koo, 'From Farm to Factory', *op.cit.*, p.676.
[15] Koo, 'Engendering Civil Society', in Armstrong, *op.cit.*, p.116.

important – many workers who previously had little experience in unionisation efforts were able to voice their demands and take action. A common feature of many strikes was the militancy of the workers who adopted aggressive tactics in their struggle against management and the government. Workers' ability to organise and shut down production instilled in them a sense of class consciousness. When workers rebelled, it was not only an expression of frustration but an effort to reclaim their dignity.

The importance of maintaining the struggle was reinforced by the government's position towards the protestors. Although the state announced the adoption of a neutral stance towards labour conflict, this was contradicted by the fact that hundreds of labour activists were arrested during 1987. Seoul Police Headquarters announced on 18 September that more than 8,000 people, half of them in Seoul and the rest around South Korea, had been targeted for active investigation into the activities, statements and leadership of 24 'dissident' organisations.[16] Towards the end of September 1987, more than 480 workers were in prison, accused mostly of leading violent strikes or indicted under illegal assembly laws.[17] Throughout 1987, workers challenged the system of authoritarian industrial relations which had denied them their basic rights for decades, despite government attempts to break up the labour movement.

HYUNDAI: THE MAIN BATTLEGROUND

Labour conflict at Hyundai was politically and economically significant – as one of the largest *chaebol* in South Korea with a substantial workforce, strikes went to the very heart of the developmental state. Not only did the labour unrest cause major economic disruption, but politically, it represented a fundamental challenge to the state. Violent confrontations with police highlighted the extent of worker resentment with authoritarian methods of labour control that had been in place for over three decades. By demanding that the whole repressive framework be dismantled and replaced with a democratic form of government, workers were on a collision course with a government which had little tolerance for political dissent. Therefore, the ramifications of the Hyundai conflict extended far beyond

[16] Asia Monitor Resource Centre, *op.cit.*, p.70.
[17] *ibid.*

the factory gates. Hyundai experienced some of the most dramatic labour disputes. In 1987, the company had 45 subsidiaries.[18] Primarily a heavy manufacturing conglomerate, it was active in auto-manufacturing, civil engineering, construction and shipbuilding.[19] Hyundai had one of the most repressive labour regimes and its militaristic working conditions were well-known. There was a strict emphasis on discipline, hierarchy and obedience. Military-style management resulted in heavily regimented factories in which there were harsh rules about appearance. Workers had to have short haircuts, wear company uniforms, participate in morning exercise and they were separate cafeterias for blue and white collar workers.[20] Verbal abuse was common and insubordination often resulted in men being slapped and women being pulled by the hair.[21] The founder's philosophy, Chung Ju Yung, reflected the authoritarian style of management: "I will never allow a union until the earth covers my eyes".[22] But within two weeks of the democracy declaration, virtually all the Hyundai firms were involved in labour disputes.[23]

After the democracy declaration, the working class upsurge that took place changed forever the balance of forces in the conflict between the state and its growing number of opponents.[24] Roh's limited liberalisation opened the floodgates for an enormous wave of struggle.[25] Barely one week after the declaration, Hyundai's first genuine union was established on 5 July 1987, by a group of 120 workers from Hyundai Engine – within a week, it had 1,400 members and the other 13 companies within the group joined the struggle for democratic unions in the same month.[26] Once unions had been successfully formed, workers presented a lengthy list of demands, including 25-30 per cent wage increases, the elimination of wage competition among workers, the abolition of the restriction on hair length and termination of compulsory morning exercise.[27] Unionisation at other firms, however, proved much more difficult. On 16 July, as a group of workers from Hyundai Mipo Shipyard was on its way to the Ulsan District Labour Office to register

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[18] *ibid.*, p.52.
[19] *ibid.*, p.53.
[20] Vogel and Lindauer, 'Toward a Social Compact for South Korean Labour', in Lindauer *et al*, *op.cit.*, p.106.
[21] *ibid.*
[22] Koo, *Korean Workers, op.cit.*, p.165.
[23] *ibid.*, p.158.
[24] Minns, John, *The Politics of Developmentalism: The Midas States of Mexico, South Korea and Taiwan*, Houndmills: Palgrave Macmillan, 2006, p.158.
[25] *ibid.*
[26] Asia Monitor Resource Centre, *op.cit.*, pps.53-54.
[27] Koo, *Korean Workers, op.cit.*, p.166.

the new union with the authorities, hired company thugs snatched the union documents, however, government pressure on Hyundai forced the company to return the documents to the workers who then registered the new union.[28]

Mobilisation continued unabated despite management attempts to block worker resistance. The unionisation movement at individual Hyundai firms quickly converged into a solidarity struggle at the group level. On 8 August 1987, union representatives from 12 Hyundai forms gathered and formed the Council of Unions of the Hyundai Group – they wanted to take a coordinated approach in dealing with the highly centralised authority structure at the Hyundai Group. The Council of Unions immediately clashed with management over the demand for group-level wage negotiations and the recognition of the genuine union that had been formed at Hyundai Heavy Industries – the stage was now set for one of the fiercest worker struggles.[29]

On 17 August, thousands of Hyundai workers gathered at the Hyundai Heavy Industries plant and marched toward the city. At the front of the march were dump trucks, forklifts, fire engines and sand-blasting machines. Accompanied by drums and gongs, the crowd sang newly learned songs and shouted 'Down with Chung Ju Yung!'. They were met by the riot police and although the police fired tear gas at the protestors, they soon found themselves fleeing in panic from the angry crowd. The police chief offered to negotiate with the leader of the Hyundai Engine union, Kwon Yong-mok. With Kwon's promise to maintain a peaceful demonstration, he allowed the demonstrators to walk to Namok Hill and back to Hyundai Heavy Industries.[30]

On the following day, the demonstration became bigger and better organised. Workers from various Hyundai companies in Ulsan rallied in the grounds of Hyundai Heavy Industries in the early morning of 18 August.[31] Some 40,000 workers were estimated to have gathered along with 30,000 of their wives and children.[32] Thousands at Hyundai Heavy Industries commandeered forklifts, bulldozers and heavy trucks form the company's massive

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[28] Clifford, Mark, *Troubled Tiger: Businessmen, Bureaucrats and Generals in South Korea*, Armonk, New York: M.E. Sharpe, 1994, p.273.
[29] The above account is from Koo, *Korean Workers, op.cit.*, p.167.
[30] The above account is from Koo, *Korean Workers, op.cit.*, p.167.
[31] *ibid.*, p.168.
[32] *ibid.*

shipyards and many wore heavy protective clothing, including welding shields and gas masks.[33] Workers marched out of the shipyard and toward the centre of Ulsan.[34] Government forces withdrew after workers began their assault on the riot police. Mothers, wives and children marched alongside and the parade stretched for 2 miles – it took 5 hours to complete the 10-mile journey to the stadium.[35] To avert the danger of violent street confrontations, riot police allowed workers to take over Ulsan Sports Stadium.[36]

At the stadium, workers were greeted by a government representative but not by Hyundai managers.[37] In order to resolve the dispute, the deputy minister of labour, Han Jin Hee, intervened. He announced that the government would see that Hyundai cede to worker demands for independent unions at eight of the group companies.[38] The agreement, announced by the deputy minister himself, was the acceptance of practically all of the workers' demands, including a significant wage increase and the recognition of the independent union at Hyundai Heavy Industries.[39] Workers and their families cheered wildly – it was the first victory Hyundai workers had achieved.[40]

In the long-run, however, it was only a symbolic victory and a short-lived one. Hyundai management decided to ignore what had been promised by the Deputy Minister of Labour and denied the legitimacy of the new union leadership at Hyundai Heavy Industries and the Council of Unions of Hyundai Group. Consequently, wage negotiations were stalled and labour unrest continued.[41] Government intervention demonstrated the striking turnaround in the attitude towards the labour movement. Roh's regime was on the defensive and seeking to minimise the political impact of worker protests. The power of the labour movement was on vivid display and its organisational strength was growing daily.

The significance of the strikes at Hyundai and indeed, in the other *chaebol*, was in their political aspects. Workers were not just defying their employers – they mounted a direct

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[33] Clifford, *op.cit.*, p.273.
[34] *ibid.*
[35] Koo, *Korean Workers, op.cit.*, p.168.
[36] Clifford, *op.cit.*, p.274.
[37] Koo, *Korean Workers, op.cit.*, p.168.
[38] Clifford, *op.cit.*, p.274.
[39] Koo, *Korean Workers, op.cit.*, p.169.
[40] *ibid.*
[41] The above account is from Koo, *Korean Workers, op.cit.*, p.169.

attack on the repressive framework of labour control. In the process, strikes became violent clashes with the state. Government restrictions on union activity served to limit and postpone industrial action but they also made it more political and even insurrectionary when it happened.[42] The key tools of political control which the state had used since 1961 were being flouted by workers.[43] With every militant strike, workers were routinely chipping away at the strength of state.

Over the next few weeks, industrial conflict continued unabated. Six of the Hyundai firms were closed down completely. A partial breakthrough came on 1 September when contracts were signed at Mipo Shipyards, Hyundai Heavy Electric and Hyundai Pipe Company. At other sites, however, negotiations made no headway – the *chaebol* refused to disband the company unions and did not recognise the democratic unions. On 2 September, 20,000 Ulsan workers again took to the streets and marched towards Ulsan City Hall – the sound of drums and gongs filled the streets as workers shouted and chanted their demands.[44] A breakaway group of 3,000 workers stormed the Hyundai shipyard and broke into company offices smashing furniture and windows.[45] Riot police stormed the Hyundai shipyard at dawn on 4 September – over 100 workers were arrested and on 5 September, thousands of workers staged sit-ins at the shipyard, demanding the release of their colleagues.[46] An attempt by 8,000 workers to take their protest to the streets failed when they were confronted by a large force of riot police and they were dispersed with tear gas.[47]

Despite announcing that it would remain neutral in labour disputes, the government stepped in on behalf of management. On 12 September, the Ministry of Labour issued an emergency directive which instructed Ulsan City authorities to 'reshuffle' the staff of the Hyundai union.[48] The Council of Unions at Hyundai Group was declared illegal – unions were forbidden to organise across company lines and 20 leaders, including Kwon Yong-mok were sentenced to jail.[49] Although management at Hyundai Heavy Industry agreed to a 14 per cent wage increase, it refused to concede to any demands which went beyond wage

[42] Minns, *op.cit.*, p.157.
[43] *ibid.*, p.158.
[44] The above account is from Ogle, *op.cit.*, p.119.
[45] Asia Monitor Resource Centre, *op.cit.*, pps.54-55.
[46] *ibid.*, pps.54-55.
[47] *ibid.*
[48] *ibid.*, pps.55-56.
[49] Ogle, *op.cit.*, p.120.

claims and stubbornly resisted a genuine democratic union in the company.[50] Labour struggles continued at Hyundai over the next few years, but the government's attitude toward worker mobilisation was decidedly anti-labour.

DAEWOO MOTOR COMPANY

Daewoo, one of South Korea's largest conglomerates, was involved in 25 major areas of industry including motor vehicle manufacturing, electrical and electronic engineering, construction and textiles.[51] The corporation employed over 100,000 Koreans and in 1987, accounted for around 10 per cent of South Korea's GNP.[52] The headquarters and assembly plant employing 6,000 workers were located in Pupyong.[53] When the flood of union action took place in July and August of 1987, it included most of the workers of Inchon – it is estimated that 400 or more workplaces in Inchon had strikes or some form of protest.[54] For more than 3 months, there was at least one protest demonstration every day and at times there were as many as 30.[55] Around 100 new unions were formed and sustained after the Great Worker Struggle in 1987.[56]

An authoritarian work culture also pervaded Daewoo – the only unions allowed to operate were *oyong*, or company unions. On 10 August 1987, workers at Daewoo Motors in Pupyong took action demanding an increase in wages, a reduction in working hours and the right to form democratic unions. The demands were read in the company cafeteria and the assembled workers sang songs and shouted slogans about democratic unionism. More than 300 supporters moved out of the cafeteria and into each section of the plant where they read the demands – by the end of the day, an estimated 4,000 workers took part in demonstrations. The company closed the plant down for two weeks during which time it

[50] Asia Monitor Resource Centre, *op.cit.*, p.57.
[51] *ibid.*, p.63.
[52] *ibid.*
[53] *ibid.*
[54] Ogle, *op.cit.*, p.145.
[55] *ibid.*
[56] *ibid.*, p.146.

labeled the union members 'outside agitators' and 'impure factions' who did not represent the majority.[57]

More than 400 workers marched on the plant's administration building, seizing the president and vice president of Daewoo Motors and forcing them to bow down. Almost immediately, Daewoo Motors became a war zone – from 3 September onwards police and armed guards occupied the factory and company grounds while sit-down strikes and street demonstrations occurred daily. Police tried to control workers through the use of tear gas and hundreds were detained.[58] The press reported that 100 Daewoo workers were arrested on 4 September, following a dawn raid by police on the factory compound, while on 6 September, 87 were charged with various offences, accused of arson, assault and illegal confinement.[59] On 24 September, elections for the *oyong* presidency were held and workers decided to accept a compromise candidate agreeable to themselves and the *oyong*, given that anxiety over job security was high and the leaders of the democratic union movement were in prison.[60] The labour conflict at Daewoo, however continued into the following year as the compromise started to come apart.[61] Thus, the dispute at Daewoo did not end in a decisive victory for the workers.

About 200 miles south, Daewoo was also having labour problems in its Okpo shipyards. Okpo had also been transformed into a large industrial town – in 1987, it had a population of 200,000 and 15,000 were employed at Daewoo.[62] When the union uprisings of 1987 hit, the Daewoo shipyard was in a vulnerable position, as it had a billion dollar debt. Conditions at the shipyard were particularly harsh – workers could be arbitrarily dismissed or their wages reduced and the company kept written records of each employee detailing their private lives. On 8 August, a worker climbed to the highest point on a huge crane and using a portable loud speaker began calling for the formation of a democratic union and for worker solidarity. A union was formed, workers elected a president and called a strike. Management refused to negotiate for wage increases and 1,500 police and its special division, the *baikgoldan* (police trained in martial arts) were sent in to break the strike.

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[57] The above account is from Ogle, *op.cit.*, pps.131-132.
[58] The above account is from Ogle, *op.cit.*, p.132.
[59] Asia Monitor Resource Centre, *op.cit.*, pps.67-68.
[60] Ogle, *op.cit.*, p.132.
[61] *ibid.*
[62] The above account is from Ogle, *op.cit.*, pps.132-134.

Hundreds of workers were assaulted, including onlookers and women. Demonstrations continued for days until 22 August, 1987, when a tear gas canister hit Lee Suk Kyu on the chest and killed him. No agreement was reached between the company and the union until April 1988, when workers gained a 24 per cent pay increase.[63]

Although worker gains were of mixed results, the political significance of the strikes can be found in the widespread support they received. A 1987 survey conducted shows that a majority of respondents believed employers (57 per cent) and the government (19 per cent) were more responsible for militant labour disputes than workers themselves (7 per cent).[64] Even white collar workers which were not directly involved in the labour conflict placed the responsibility for labour disputes with employers. For example, 58.8 per cent of clerical workers blamed employers, 17. 6 per cent blamed the government while only 8.8 per cent blamed radical movements.[65] As industrial workers challenged the state in the streets and factories, they had support from most Koreans – as these challenges mounted on a number of fronts, the effectiveness of state controls was undermined.[66]

GOLDSTAR

Goldstar had a long history of unions in their plants and when the 1987 spring offensive hit, 16 of Goldstar Group's 27 member companies already had union organisations. Although these were *oyong*, the structures were there and the process of union-company negotiation was well practiced. Goldstar produced chemicals and electronic equipment. In the latter half of 1987, all 27 companies and their 57 subsidiaries experienced worker uprisings and strikes.[67] Workers at Goldstar Electronics, which employed 4,000 in three plants in Anyang, Kumi and Kunpo, had two main demands – wage increases and recognition of democratic unions. Management agreed to a wage increase but it refused to allow genuine unions. At first, only one-third of the workers joined the strike action but soon the rest of them followed suit. They demonstrated mostly inside the plant walls but when they did go

[63] The above account is from Ogle, *op.cit.*, pps.132-134.
[64] Lim, Hy-Sop, 'The Evolution of Social Classes and Changing Social Attitudes', in Lindauer *et al*, *op.cit.*, p.27.
[65] *ibid.*
[66] Minns, *op.cit.*, p.158.
[67] The above account is from Ogle, *op.cit.*, pps.137-139.

into the streets, violent confrontations took place with the police. Many were injured and 91 workers were arrested. Throughout the 11 days of protests, negotiations went on and an agreement was reached. The pay raise was officially granted and it was agreed that union officials would be elected by direct vote of the union members.[68]

FEMALE WORKERS & THE UNIONISATION DRIVE

Women's involvement in labour activism was also visible, although the struggles were dominated by men for the most part. In demanding worker rights, women converted their traditionally submissive role into a political weapon.[69] Women factory workers repressed their anger at their mistreatment and when it emerged, it resulted in intense and spontaneous action – only in the context of the labour uprising did it become practical for workers to speak out on their own behalf.[70] Female activism was illustrated in fierce labour strikes in the Masan Free Export Zone (MFEZ).[71] Masan is a port city located on the southeastern coast of Korea and the MFEZ was established as part of the national program of export-oriented industrialisation, designed to attract foreign investors with tax incentives and waivers of trade union law.[72] The main industries were electronics, metal, precision equipment and garment manufacturing.[73] Most of the workers in the zone were female, accounting for 77 per cent of the total 36,411 in 1987.[74] The sexual division of labour meant that male workers were concentrated in the heavy industries and females were disproportionately located in the light industries.

During the peak of the Great Workers' Struggle, women workers in the MFEZ held public demonstrations nearly every day, resulting in 20 new democratic labour unions in a short period of time.[75] Before the end of September, more than half of the companies (44 out of

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[68] The above account is from Ogle, *op.cit.*, pps.137-139.
[69] Kim, Seung-Kyung, *Class Struggle or Family Struggle? The Lives of Women Factory Workers in South Korea*, New York: Cambridge University Press, 1997, p.177.
[70] *ibid.*, p.178.
[71] Nam, Jeong-Lim, 'Gender Politics in the Korean Transition to Democracy', *Korean Studies*, Vol. 24, 2000, p.103.
[72] Kim, *Class Struggle or Family Struggle? op.cit.*, pps.19,23.
[73] *ibid.*, p.20.
[74] Nam, 'Gender Politics in the Korean Transition to Democracy', *op.cit.*, p.103.
[75] *ibid.*

74) operating in the MFEZ had experienced sit-in strikes.[76] The four main demands were wage and bonus increases, better treatment, improved working conditions and seniority allowances.[77] It is estimated that wages in the Masan-Changwon area increased by 10-20 per cent in the aftermath of the uprising.[78] One of the strongest labour unions in the MFEZ was established in 1987 by the female workers of Sumida Electronics, a Japanese-owned company employing 2,000 workers.[79]

Female workers at Sumida had a reputation for activism even before the 1987 labour uprising and had already made several unsuccessful attempts to establish a democratic union.[80] On 11 August, in collaboration with female student activists, 66 workers started autonomous labour unions and recruited about 1,600 workers in a month.[81] Workers declared a sit-down strike after the company closed the factory for several days. From 19 August to 26 August, about 2,000 workers occupied the factory, demanding wage and bonus increases – on 26 August, the company accepted several of the 16 demands submitted by the union.[82] From 23 September, the union began publishing its newsletter, *Hamsong* (A Great Outcry) which contained information about labour laws, news items and reports about the union's achievements as well as cartoons, poems and songs aimed at raising the consciousness of their members. It appealed to their members to be strong and resist efforts of the company to persuade them to withdraw from the union.[83]

The Korean Women's Associations United (KWAU) was formed in 1987, a national coalition of 28 worker, religious, research, housewife, peasant, human rights and environmental organisations designed to link various issues to the wider democratic agenda.[84] Recognising the unions as an organisational basis for launching a mass-based women workers' movement, the Korean Women Workers Associations (KWWA) adopted the strategy of expanding and revitalising women's chapters and committees within the

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[76] Kim, *Class Struggle or Family Struggle? op.cit.*, p.114.
[77] *ibid.*
[78] *ibid.*, p.115.
[79] Nam, 'Gender Politics in the Korean Transition to Democracy', *op.cit.*, pps.103-104.
[80] Kim, *Class Struggle or Family Struggle? op.cit.*, pps.118-119.
[81] Nam, 'Gender Politics in the Korean Transition to Democracy', *op.cit.*, p.104.
[82] The above account is from Kim, *Class Struggle or Family Struggle? op.cit.*, p.119.
[83] The above account is from Kim, *Class Struggle or Family Struggle? op.cit.*, p.119.
[84] Nam, 'Gender Politics in the Korean Transition to Democracy', *op.cit.*, p.101.

unions.[85] KWWA officials offered leadership training and educational programs for new unions.[86] These women-based organisations were conscious of the sexism which pervaded the 'Great Workers' Struggle' and trade unionism in general and sought to organise women's collective power. The labour disputes which originated in factories dominated by male workers activated a wide-based struggle which was not confined to just workplace issues. Women workers were also responsible for establishing links with other disaffected groups in the broader push for democracy. In the process of demanding improved working conditions and better treatment, women subverted traditional notions of female docility. In patriarchal South Korea, this was no small feat.

FORMATION OF SOLIDARITY AND LINKS BETWEEN UNIONS

In order to consolidate worker gains, linkages between factories were established along with labour federations and councils. Unlike the previous labour struggles of the 1970s and 1980s, unionised workers sought to strengthen their activities by organising joint union councils within their region, industry and enterprise.[87] These newly formed associations sought to coordinate efforts in pressuring the government for labour law reform and protecting the long-term interests of workers. The first regional labour federation was established in the Masan-Changwon region, one of the most highly developed industrial regions with many aggressive local unions led by militant activists.[88] Masan was home to a free-trade zone with a high concentration of foreign capital, light manufacturing and low-paid female workers, while Changwon was dominated by *chaebol*, heavy industry and male industrial workers.[89] As the July-August 1987 strike wave came to a close and a counter-attack was launched by the state and companies, Masan became a major battle zone – *kusadae* ('company rescue' teams) were organised to assault women workers and break their strikes and unions.[90]

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[85] *ibid.*, p.103.
[86] *ibid.*
[87] Kim, 'The Korean Union Movement in Transition', in Frenkel, *op.cit.*, p.144.
[88] Koo, 'The State, *Minjung* and the Working Class in South Korea', in Koo, *State and Society in Contemporary Korea*, *op.cit.*, p.157.
[89] Hart-Landsberg, Martin, *The Rush to Development: Economic Change and Political Struggle in South Korea*, New York: Monthly Review Press, 1993, p.275.
[90] *ibid.*, p.276.

In response, the workers of Changwon mobilised to oppose these attacks and they joined the workers of Masan in street battles to help the women defend their victories.[91] When the explosion in union organising took place in 1987, women workers at Masan organised 100 plants at the MFEZ.[92] The end result of this common struggle was that 30 newly formed unions from both cities joined together in December 1987 to form the General Federation of Trade Unions in the Masan-Changwon Area.[93] It was a loose organisation of democratic labour unions started in response to the need for an umbrella group to oversee the relationship among different enterprise unions – by 1988, it had grown rapidly with a membership of 30,000 workers.[94] The new federation immediately began a general education and outreach program to prepare for the struggles ahead – they organised summer training camps for union leaders and year-round education programs on politics, labour laws, and the history of the labour movement.[95]

A national-level struggle by the democratic unions was organised during and after the 1987 summer strikes in co-ordination with the regional and industrial councils – by the end of 1988, these councils had a membership of 105,576 and were affiliated with 392 unions throughout the country.[96] By July 1989, 17 regional labour associations were established, incorporating 628 local unions and 246,000 union members.[97] These associations were important in maintaining the democratic advances made in union formation and organisation – they played key roles in collective bargaining and in labour disputes. Through the councils, local unions supported one another by exchanging information, sharing common training and public relations activities and coordinating strike action.[98] By means of these joint activities, they sought to foster workers' consciousness of labour problems beyond the factory gates.[99] White-collar workers in the service sector also formed 11 loosely organised occupational associations which consisted of 925 unions and 144,200

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[91] *ibid.*
[92] Ogle, *op.cit.*, p.141.
[93] Hart-Landsberg, *op.cit.*, p.276.
[94] Kim, *Class Struggle or Family Struggle? op.cit.*, p.144.
[95] Hart-Landsberg, *op.cit.*, p.276.
[96] Kim, 'The Korean Union Movement in Transition', in Frenkel, *op.cit.*, pps.144, 146-147, 153.
[97] Koo, 'The State, *Minjung* and the Working Class in South Korea', in Koo, *State and Society in Contemporary Korea*, *op.cit.*, p.157.
[98] Kim, 'The Korean Union Movement in Transition', in Frenkel, *op.cit.*, p.144.
[99] *ibid.*

members.[100] Defying government prohibition against union formation, the National Teachers' and Educational Workers' Unions (NTEWU) was established in May 1989 and was instrumental in providing an outlet for teachers to criticise government policies and a forum in which to organise protests.

South Korea's labour movement achieved a significant victory with the establishment of the National Congress of Trade Unions (NCTU or *Chunnohyup*) on 22 January 1990. Roh refused to allow the formation of a new national union that could compete with the FKTU and it was declared illegal.[101] This, however, did not prevent the NCTU from emerging as a serious challenger. At the time of its establishment, it included 456 unions (5.8 per cent of the nation's total unions) and 160,000 members (8.6 per cent of total union members).[102] Over the next few years however, the organisation faced several obstacles, in particular, government persecution. Despite government attempts to break the strength of the emerging independent labour movement, the formation of the General Federation of Trade Unions, nationwide labour councils and especially the NCTU showed how drastically things had changed – workers were confident enough to establish links with other unions and organise on a broader scale. Only a few years previously under Chun, such attempts were rapidly crushed. Now, there was a sense that inter-union solidarity could be maintained and that continuous pressure could be placed on the government. There was also the feeling that the government was no longer the omnipotent Leviathan of earlier years – the cracks in the developmental state were apparent and workers were no longer afraid to test the limits of government power. Although technically it was illegal, the NCTU continued to defy the government and undermine state control.

LABOUR AFTER THE GREAT WORKERS' STRUGGLE – GAINS & SETBACKS

Throughout the summer of 1987, the labour movement kept the issue of democracy on the national agenda through its actions. Strikes and demonstrations kept the workers in the

[100] Koo, 'The State, *Minjung* and the Working Class in South Korea', in Koo, *State and Society in Contemporary Korea*, *op.cit.*, p.157.
[101] Koo, Hagen, 'The Dilemmas of Empowered Labour in Korea: Korean Workers in the Face of Global Capitalism, *Asian Survey*, Vol. 40, No. 2, March-April 2000, p.232.
[102] Koo, *Korean Workers, op.cit.*, p.179.

national headlines and drew attention to their plight. Their vocal demands for increased autonomy from government interference was regularly reported in local and nationwide news. In spite of management and government collusion to crush the labour movement and emasculate its leadership, the 'Great Workers' Struggle' achieved several goals. The greatest gain was the legalisation and institutionalisation of trade unionism.[103] Labour legislation was amended on 28 November, 1987, granting workers basic rights to organise and to engage in collective bargaining.[104] There was a significant shift in the balance of power on the shop-floor – the ferocity of labour protests crippled managerial power at this level – it left big business unprotected and as a result, several *chaebols* gave substantial concessions to aggressive labour demands.[105] Workers secured 15-25 per cent wage increases along with improvements in working conditions and company welfare provisions.[106]

As a result of the extensive mobilisation and organisation which emerged out of the 'Great Workers' Struggle', the total number of union members increased from 1,040,000 in 1986 to 1,980,000 in 1989, with an increase in the unionisation rate from 15.5 per cent to 23.4 per cent during this period.[107] More unions were legally recognised by the government in the aftermath of the 'Great Workers' Struggle'. Worker gains in the long run, however, were of mixed results. The basic framework set up under authoritarianism remained. Formation of more than one union within a firm was prohibited, teachers and public sector workers were forbidden from forming unions, and union participation in political activities was legally barred. This last prohibition was significant because it sought to prevent the working class from forming a political party. Revision of labour laws over the next several years was limited – the DJP and DLP steadfastly blocked attempts to institute more substantial reforms.

From early 1988, the government launched a systematic crackdown on labour, with a great deal of pressure emanating from the *chaebol* to adopt a hard-line stance. The public mood,

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[103] Koo, Hagen, 'The Dilemmas of Empowered Labour in Korea', *op.cit.*, p.232.
[104] Hyug Baeg, 'State, Labour and Capital in the Consolidation of Democracy' *op.cit.*, p.13.
[105] Koo, Hagen, 'The Dilemmas of Empowered Labour in Korea', *op.cit.*, p.232.
[106] *ibid.*, p.234.
[107] Presidential Truth Commission on Suspicious Deaths of the Republic of Korea, *A Hard Journey to Justice. First Term Report by the Presidential Truth Commission on Suspicious Deaths of the Republic of Korea*, Seoul: Samin Books, 2004, p.249.

particularly amongst the middle classes, turned hostile towards the workers' plight. This change in attitude facilitated a crackdown on labour disputes – Koreans wanted political and economic stability, therefore, many supported the government's brutal response. Employers were able to gain the upper hand by using physical force and violence to discourage trade union organisation and to break labour's strength. Large enterprises hired *kusadae* to smash strikes and in some cases, hired gangsters to attack and kidnap union leaders.[108] Police forces and private armies hired by management also co-operated in their attempts to end protests.[109] On 28 December 1988, Roh Tae Woo made a 'Special Announcement on Maintaining Civic Security and Law and Order' which officially marked the end of the political opening following the Democracy Declaration. As a result of repression, the number of strikes declined after 1987. There were 3,749 labour disputes in 1987, 1,833 in 1988 and 1,616 in 1989.[110] Close to 1.3 million workers participated in strikes during the hot summer of 1987. By 1989, however, the number was less than half, totaling 409,000.[111]

Although the number of strikes dropped after 1987, those which occurred were insurrectionary. Fierce worker resistance in the face of vicious state repression was disturbing for the regime – by striking at the very core of the developmental state – the *chaebol* – they were an attack on the engines which had powered Korea's remarkable economic growth. After 1987, the strikes which occurred in the largest *chaebol* were not only economically crippling, but politically, they constituted a massive threat to the system which emerged under Park in the 1960s. One of the most dramatic displays of government repression and worker defiance occurred at Hyundai. In March 1989, a massive military style operation at Hyundai Heavy Industries by 10,000 government troops ended a 109-day sit-down strike that had shut down the facility.[112] An assault was launched from the air, sea and land – a huge military operation called the Ulsan 30 Operation. When the police entered the compound factory, there were hardly any strikers because they had sneaked out of the compound at midnight and reassembled in front of the Hyundai dormitory building.

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[108] Shin, Kwang Yeong, 'The Political Economy of Economic Growth in East Asia: South Korea and Taiwan', in Kim, Eun Mee, *op.cit.*, p.13.
[109] Asia Monitor Resource Centre, *op.cit.*, p.80.
[110] You, 'Changing Capital-Labour Relations in South Korea', in Schor and You, *op.cit.*, p.134.
[111] Buchanan, Paul G. and Kate Nicholls, 'Labour Politics and Democratic Transition in South Korea and Taiwan', *Government and Opposition*, Vol. 38, No. 2, April 2003, p.216.
[112] Koo, *Korean Workers, op.cit.*, p.171; Clifford, *op.cit.*, p.275.

At noon, the riot police, accompanied by a band of *baikgoldan* (police trained in martial arts), invaded the dormitory and hundreds of workers were arrested. That was not the end of the strike – by the late afternoon, workers' resistance had developed into a large-scale street battle. Some 1,500 fellow workers at nearby Hyundai Engine declared a one-day strike in sympathy and poured on to the streets. Hundreds of workers from Hyundai Motors, Hyundai Mipo Shipyards and Hyundai subsidiary firms also went into the streets and the eastern section of Ulsan turned into a battlefield.[113]

Street battles grew larger and more violent on the following day – a large number of residents joined the protests and many wives and children of Hyundai workers, enraged at the attacks of the *baikgoldan,* became direct participants in the street battles. They blocked the police from entering their alleys in pursuit of fleeing workers, collected money, hid students who had come to assist the workers in their homes and collected empty bottles for manufacturing Molotov cocktails. The street battle lasted for more than 10 days and ended on 18 April 1989, with the arrests of 52 union leaders and dismissal of 49 workers.[114]

The Hyundai conflict demonstrates that the government was determined at any cost to break the labour movement, for economic and political reasons. Roh needed to maintain the support of the middle classes who were growing tired of the economic and social upheaval caused by ongoing labour disputes, while also proving to the *chaebol* that the government could forcefully deal with the threat that continued strikes posed to economic production. Roh was aware that economic loss for the *chaebol* could have politically disastrous consequences for the government. Therefore, the regime's policy was to systematically crush the increasingly powerful labour movement. The government narrowed the definition of the legality of strikes.[115] After the formation of the NCTU in January 1990, the Home Affairs Ministry declared that it would place 337 additional intelligence agents in 71 major industrial complexes in order to follow and investigate "impure elements" in the workplace.[116] These "impure elements" were a direct reference to left-wing activists, a legacy of the anti-communism which characterised the Rhee and Park era. The Ministry

[113] The above account is from Koo, *Korean Workers, op.cit.*, p.171.
[114] The above account is from Koo, *Korean Workers, op.cit.*, pps.171-172.
[115] Hyug Baeg, 'State, Labour and Capital in the Consolidation of Democracy' *op.cit.*, p.20.
[116] Hart-Landsberg, *op.cit.*, p.297.

also announced plans to organise 63 riot police companied at key locations for operations "against illegal labour conflicts".[117]

Between January 1990 and July 1991, 848 trade unionists were arrested and kept in jail for periods ranging from a few weeks to a year or more.[118] Of this total, 615 were leaders associated with the NCTU and 19 out of the 22 members of the NCTU central committee were arrested several times.[119] Roh declared the NCTU illegal because it was seen as leading a conflict with an "ideology of class struggle for the liberation of labour". The government's response to the formation of the NCTU was a virtual declaration of war and as a result, it suffered losses in membership. Repression also extended into the white-collar sector – the government cracked down hard on the NTEWU and its supporters by firing all teachers associated with the union. Over 1,600 teachers lost their jobs in the union's first year and 100 teachers were imprisoned for demonstrating for the right to form a union.[120] Between 1988 and 1989, the number of workers and union leaders arrested jumped six-fold from 147 to 946, totaling 1,736 between 1988 and 1991.[121] This was all part of a deliberate strategy to not only destroy the labour movement's strength but also to delegitimise worker actions by portraying them as subversive and dangerous. None of this would have been possible without at least the tacit support of the middle classes and the *chaebol*. This support was instrumental in facilitating the emergence of a conservative, democratic government whose main concern was to prevent the organisation of workers into a political party.

COMPLETING THE TRANSITION

Presidential elections on 16 December, 1987 were the starting point in South Korea's transition to democracy. As president of the DJP, Roh's ties to the military tainted his democratic credentials. He played a key role in the first stage of Chun's 1979 coup, leading an army division from the North Korean border in an attack on military headquarters in

[117] *ibid.*
[118] Hart-Landsberg, *op.cit.*, pps.278-280, 296.
[119] *ibid.*
[120] The above account is from Hart-Landsberg, *op.cit.*, pps.278-280, 296.
[121] Pak, 'Emergence and Transformation of the South Korean Model', in Sheridan, *op.cit.*, p.106.

Seoul in December 1979.[122] Handpicked by Chun, Roh was often pejoratively characterised as 'Chun with a wig', likening him to the bald former ruler.[123] This led many South Koreans to assume that Roh's prospects of winning the presidency were not assured. The parliamentary opposition, however, faced serious problems of its own. Since its formation, the NKDP had been torn apart by the two major factions led by Kim Young Sam and Kim Dae Jung – the 'two Kims'. Amidst differences, personal rivalry and deadlock on key party issues, Kim Young Sam created his own party, the Reunification Democratic Party (RDP) which replaced the NKDP in May 1987. Only six months later, in October 1987, Kim Dae Jung established a new party of his own, the Party for Peace and Democracy (PPD). This split led to the DJP's victory – Roh received 36.7 per cent of the total votes, Kim Young Sam (RDP) 28.1 and Kim Dae Jung (PPD) 27.1.[124] A former right-hand man of Park Chung Hee, Kim Jong Pil, formed the New Democratic Republican Party (NDRP) and received 8.1 per cent.[125]

Roh was immediately faced with the dilemma of how to deal with continuing labour strikes in a new, democratic setting. Anti-labour sentiment amongst big business and the middle classes, however, laid the basis for a harsh crackdown. The disappointing growth rate of 6.8 per cent in 1989 brought home to the government and big business the economic dilemma posed by accelerating labour costs.[126] According to the government, manufacturers suffered nearly $1 billion in production losses and almost $300 million in export losses during the first five months of 1988.[127] Overall estimates were that strikes during the first half of 1989 cost South Korea $4.5 billion in production losses.[128] The 100-day strike at Hyundai Heavy Industries in 1989 cost the company $30 million in profits, while South Korea's three largest automobile companies claimed that strikes lowered their production by 75,000 cars worth $1 billion.[129] As a result, the *chaebol* felt that the government was not being tough

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[122] Shorrock, Tim, 'South Korea: Chun, the Kims and Constitutional Struggle', *Third World Quarterly*, Vol. 10, No. 1, January 1998, p.95.
[123] Kim, Yung-Myung, '"Asian-Style Democracy": A Critique from East Asia', *Asian Survey*, Vol. 37, No. 12, December 1997, p.1138.
[124] Huang, Teh-fu, 'Party Systems in Taiwan and South Korea', in Diamond, Plattner, Chu and Tien, *op.cit.*, p.155.
[125] *ibid.*
[126] Kong, Tat Yan, *The Politics of Economic Reform in South Korea: A Fragile Miracle*, London and New York: Routledge, 2000, p.138.
[127] Hart-Landsberg, *op.cit.*, p.275.
[128] *ibid.*, p.277.
[129] *ibid.*

enough on workers – big business felt that the state had lost its ability to maintain social and political stability by allowing strikes to disrupt economic production for weeks and months at a time. Roh could not afford to ignore the *chaebol*, who had become economic giants under Korea's developmental state. Despite Roh's assurances that strikes would not be tolerated, big business believed that the government had taken too long to respond adequately to labour militancy. The creation of the Unification National Party (UNP) in 1991, led by *chaebol* owner Chung Ju Yung, demonstrated the extent of dissatisfaction that the bourgeoisie felt. For the first time, the military was facing the prospects of losing one of its most important allies – the tide was rapidly turning.

It was not just the *chaebol* owners however, who were affected by continuing labour unrest. A sense of economic and social insecurity began to affect the middle class. Many felt their material interests were being threatened, especially when workers received wage increases. In 1988, blue-collar workers were able to obtain a 22.6 per cent wage increase, compared with a 11.9 per cent increase received by white-collar workers.[130] The following year, blue-collar workers received an 18.8 per cent increase, in comparison with 15.3 per cent for white-collar workers.[131] The considerable wage gaps that had existed between blue and white-collar workers narrowed significantly after 1987.[132] Initially, the middle classes supported the worker struggle. Attitude surveys showed that the middle classes expressed sympathy towards the plight of factory workers.[133] Workers were believed to have been compensated inadequately with low wage policies, while employers benefited disproportionately from the economic policies of the developmental state.[134] But after 1989, sectors of the middle class most directly affected by the strikes turned against workers. Negative reactions to labour disputes were stronger amongst those who employed workers, such as small manufacturers and shopkeepers. Surveys conducted in 1989 indicate that most of the middle class respondents had critical attitudes towards strikes, especially about the violent aspects, and approved government interventions to end prolonged labour conflicts.[135] Changing economic circumstances, therefore, resulted in a marked shift in

[130] Koo, Hagen, 'Middle Classes, Democratisation and Class Formation: The Case of South Korea', *Theory and Society*, Vol. 20, No. 4, August 1991, p.497.
[131] *ibid.*
[132] *ibid.*
[133] *ibid.*, p.490.
[134] Lim, 'The Evolution of Social Classes and Changing Social Attitudes', in Lindauer *et al*, *op.cit.*, p.27.
[135] Koo, 'Middle Classes, Democratisation and Class Formation', *op.cit.*, p.497.

middle class attitudes towards the labour movement – they became increasingly conservative and concerned with political and social stability.

Mass media played a critical role in influencing middle-class attitudes by fostering negative opinions of the labour movement.[136] Roh's government launched an ideological attack in the media designed to discredit and reduce public support for the workers. Mainstream media had initially adopted a neutral stance toward the 'Great Workers' Struggle', but it gradually shifted to a hostile position.[137] Strikes were depicted as "violent", "radical" or "irresponsible" and workers' demands for wage increases were described as "selfish" in the midst of national economic troubles.[138] The public was led to believe that the nation's economic slump was primarily due to the continuous labour unrest and that Korea would lose its competitive edge if it continued.[139] The uneasy alliance which had existed between the middle and working classes prior to the democracy declaration came undone – prior to June 1987, the middle and working classes were united in their opposition to authoritarianism. However, the transition altered the political dynamic. While the middle classes were placated by Roh's democratic concessions, ongoing labour conflict engendered the hostility of the former. Thus, the Great Workers Struggle hastened the rupturing of the class alliance of the period up to June 1987 – as a result, the field was left open to conservative politicians.[140]

The split between the working and middle classes was not the only indication that the balance of forces was rapidly changing – the military was also facing a crisis of its own. In the National Assembly elections on 26 April 1988, the DJP failed to capture a majority of the seats. It received 34 per cent of the popular vote, while the RDP garnered 23.8, the PPD 19.3 and the NDRP 15.6.[141] It led to the creation of *yoso-yadae* (small ruling party, big opposition) in the National Assembly.[142] This hastened the formation of a conservative ruling bloc – in order to rectify the imbalance, Roh made a secret deal to merge the DJP

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[136] Hsiao and Koo, 'The Middle Classes and Democratisation', in Diamond, Plattner, Chu and Tien, *op.cit.*, p.317.
[137] Koo, 'Engendering Civil Society', in Armstrong, *op.cit.*, p.118.
[138] *ibid.*
[139] *ibid.*, pps.118-119.
[140] Minns, *op.cit.*, pps.163,164.
[141] Kim, Hong Nack, 'The 1988 Parliamentary Election in South Korea', *Asian Survey*, Vol. 39, No. 5, May 1989, p.486.
[142] Jae-Youl, Kim, 'Democratisation in South Korea', in Cotton, *op.cit.*, p.45.

with the RDP and NDRP into the Democratic Liberal Party (DLP). Formed in 1990, the DLP or 'Grand Conservative Coalition' was designed to consolidate the power of Roh's party by effectively diminishing the influence of Kim Dae Jung, a powerful opposition leader whom the military did not trust.[143] The split in the opposition forces proved advantageous for the military – because it was fast losing the support of the *chaebol*, the military looked to Kim Young Sam as the most acceptable opposition candidate to make a deal with. This seemed to be the only way in which the military could hold onto power and dictate the terms under which South Korea would become a democracy. Weakened by constant strikes and popular pressure for democratic change, the military was no longer in a dominant position. The use of large-scale repression was not an option because opposition was too strong and widespread – backed into a corner, the military had no choice but to become democratic. South Korea's transition therefore, was completed with the election of Kim Young Sam in 1992, the first civilian president for more than four decades. In the 18 December 1992 elections, Kim Young Sam (DLP) received 42 per cent and Kim Dae Jung (PPD) received 33.9, while the former Chair of Hyundai, Chung Joo Young received 16.2 for his Unification National Party (UNP).[144]

In South Korea, the labour movement was more organised and powerful than in Mexico or Brazil. Nevertheless, the workers' movement produced no political expression in the form of a party which could challenge state power.[145] Labour was legally prohibited from organising collectively – workers had demonstrated their potential as an organised force during the 'Great Workers' Struggle' and the state was determined to prevent this power from being expressed in the electoral sphere. As a result, the new unions were unable to form an effective electoral bloc. There were, however, a few political experiments during the period of democratic transition – a few months after the political liberalisation of 1987, intellectuals and labour and political activists formed the progressive Party of the *Minjung* and the Democratic Party of Hankyore.[146] It was not a working class party, although it sought to appeal to urban workers as well as to the progressive segments of the middle class.[147] It did not perform well in elections and eventually was disbanded. Workers were

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[143] Hamilton and Kim, 'Economic and Political Liberalisation in South Korea and Mexico', *op.cit.*, p.121.
[144] Huang, 'Party Systems in Taiwan and South Korea', in Diamond, Plattner, Chu and Tien, *op.cit.*, p.155.
[145] Minns, *op.cit.*, p.163.
[146] Koo, *Korean Workers, op.cit.*, p.198.
[147] *ibid.*

absorbed into the electoral process as individuals or as members of pre-established social ties based on regions, towns and schools.[148] Thus, there was no party which represented the interests of workers, unlike the PT in Brazil.

CONCLUSION

The easing of political restrictions following the democracy declaration resulted in the explosion of the long suppressed frustrations of workers. Large, crippling strikes established the working class as a powerful social force. The importance of the 'Great Workers' Struggle' was not only in its militancy, but also the widespread support it garnered. A majority of Koreans sympathised with the workers' plight, particularly the middle classes. However, the most significant aspect of the 'Great Workers' Struggle' was its political impact. Prohibited from striking and organising for decades, workers deliberately challenged the state by launching strikes which targeted the heart of Korea's rapid economic growth – the *chaebol*. Even when it was faced with large-scale repression, workers raised the political stakes by demanding an ongoing commitment to democratic change and an end to the government's anti-labour clampdown.

However, when strikes began to affect the economy, the middle classes lost their sympathy for the workers' cause. Economic downturn, therefore, turned public opinion against the workers. Additionally, the *chaebol* were distrustful of the government's ability to deal more harshly with the labour movement. Labour was unable to produce an alternative which could vie for political power. As a result, Kim Young Sam was able to form a coalition with the government – the DLP – which came to power in 1992. Faced with losing one of its most powerful allies, the *chaebol*, the government was forced to look for allies elsewhere – it capitalised on the rupture between the opposition forces by making a deal with Kim. Sidelined by the regime and the conservative wing of the opposition, the Korean labour movement was unable to translate its enormous physical and organisational strength into a bid for political office.

[148] *ibid.*

CHAPTER 8: CONCLUSION – WORKERS & DEMOCRATIC CHANGE

This thesis has demonstrated that the mainstream understandings of democratisation processes have often neglected the important role that ordinary people have played in political change. Mexico, Brazil and South Korea all had labour movements that were active in the transition. Their militancy and pressure tactics destabilised authoritarian governments and, in the cases of Brazil and Korea, they played an important role in removing authoritarian regimes. The empirical evidence refutes elite-led transitology's argument that less mobilisation is better. Instead, continued popular mobilisation (especially in South Korea) did not harm the transition to democracy, rather it carried the transition forward. That is, mobilisation continued the transition, which is the exact opposite of what transitology predicts and even fears:

> Nothing is more destructive of democracy than frequent confrontations in the streets, the legislature, the state administration, and elsewhere between groups who view themselves as engaged in zero-sum conflict. The lifting of authoritarian repression and the return of democratic liberties to organise, petition, and demonstrate should not lead to widespread disorder and violence.[1]

All three countries experienced rapid economic growth under the auspices of a developmental state. The changes evidenced by such rapid growth had extensive implications for the nature of the transition and the type of labour movements which emerged. Moreover, the differences *between* the labour movements is very important for analysing the distinct nature of the transitions to democracy. This exposes a major theoretical weakness in elite-led transitology – it is not only that popular mobilisation and, in particular, labour movements are ignored by elite-led transitology, but that the nature of the labour movement (its origins, history, and whether it is excluded or co-opted) influences the type and the course of the transition so that each country is unique. Each of these transitions highlights some of elite-led transitology's central flaws. The three

[1] Valenzuela, Samuel J, 'Democratic Consolidation in Post-Transitional Settings: Notions, Processes and Facilitating Conditions', in Mainwaring, O'Donnell and Valenzuela, *Issues in Democratic Consolidation, op.cit.*, p.82.

countries studied here also show that democratisation does not follow one path and that a multitude of actors are all involved in the process, despite their near invisibility in elite-led transitology.

There are several similarities between the three case studies. They were all developmental states in varying shapes and forms and all were authoritarian regimes. Also, each country enjoyed high levels of economic growth in the 1960s and 1970s. In Mexico, Brazil and South Korea, powerful vested interests (including the business sector) supported the establishment of an authoritarian state in order to control popular forces. Elites backed authoritarian regimes (whether implicitly or explicitly) due to fear of popular rebellion. All of the case studies had popular classes that were historically combative, in particular, the organised labour movement presented the strongest challenge. The ways in which the threat from below was dealt with, however, differed in each.

Mexico's solution emerged in the destructive aftermath of the Mexican revolution. Widespread mobilisation of peasants and workers during the revolution taught the post-revolutionary elite an important lesson – it needed to find effective means to control the working class. Although state repression was often employed, the regime preferred to incorporate the popular sector through the government party, the PRI. Institutional outlets were established that served as conduits for the expression of discontent. The CTM was crucial in co-opting and neutralising any threats to the political and economic system established in the decade following the revolution. Incorporation of labour leaders into the bureaucratic system – *charrismo* – precluded any real independence for the labour movement. If there was any rebellion, it was quickly repressed – the Mexican state was able to co-opt (as well as pre-empt) any challenges and weaken or eliminate any potential rivals. The CTM, as well as the CNC and CNOP, were created to preserve the illusion of a democratic government. The need for labour docility was built into the stable functioning of the Mexican political system so that when it was challenged beginning in 1968 and continuing with the labour insurgency of the mid-1970s, it faced a crisis of immense proportions, the likes of which it had never experienced before.

Brazil and South Korea had similar methods of control. Organised labour was brutally suppressed from an early period. The system of labour control established under Vargas

and the *Estado Novo* served as the basic framework until the late 1970s. Although the post-World War II democratic period appeared to signal a freer environment for labour to operate, this was not the case. Various presidents paid lip-service to the labour movement in order to build their own bases of support in the factional struggle for power between elites which characterised Brazilian politics. Shifting (and often tenuous) coalitions meant that workers were utilised as pawns – populist rhetoric was used by President Goulart to appeal to workers, but it was only for self-serving purposes. The official labour movement was essentially a tool of the state, it was a bureaucratic instrument used to control the combative rank-and-file.

Under the Brazilian military dictatorship, labour was repressed and excluded. The divisions within the military leadership left their own rule rather brittle. The internal maneuverings inside the military were an indication of this – the split between the hard-line and soft-line factions, and the resulting shifts between liberalisation and authoritarian crackdown is an important indication of the military's internal fragility. Therefore, when an independent labour movement emerged, there was no way of trying to buy it off or split it. So, unlike Mexico, labour actually produced its own political alternative – the PT – which was not in any way connected with the old regime – in contrast to the PRD in Mexico. When the *novo sindicalismo* appeared on the scene, it was explosive – it protested against the developmental model and repression of labour. Most importantly, it was even more worrying for the regime because of its links with the broader pro-democracy movement – the middle and professional classes and grassroots social movements. The creation of the PT was a remarkable achievement, not only because it occurred outside the channels of state control but also because it provided a common ground for grassroots mobilisation, thereby defying the historical exclusion of the masses from Brazilian politics.

South Korea's methods of control were just as brutal. Japanese colonialism dealt harshly with popular challenges but despite repression, popular movements thrived in the short period after World War II. The intervention of the US however, was a major setback for the labour movement – the US collaborated with the corrupt regime of Syngman Rhee to prevent the emergence of a genuine democratic government. Any chance of a strong labour movement was further crushed with the military dictatorship of Park. The regime's virulent anti-communism had a particularly negative impact on the labour movement, both

ideologically and organisationally. Labour was brutally repressed and there was no attempt to incorporate it into the state structure apart from the weak and ineffective FKTU which was clearly a puppet of the state. There was no party which even nominally represented worker interests. Violently repressed for decades under a developmental state and forced to endure miserable working conditions, workers spilled out of the factories and into the streets during the 'hot summer' of 1987 with an extraordinary intensity.

A MODEL FOR ANALYSING DEMOCRATIC CHANGE

The theoretical model favoured by elite-led transitology is inadequate and too rigid to explain the complex nature of transitions to democracy. Chapter 1 outlined the four basic models of transition put forward by elite-led transitology. The first two models are considered the most successful because of the role ascribed to elites in determining the type of democracy that emerges – 'transition by pact', where elites compromise among themselves and 'transition by imposition' where elites use force to bring about a regime change against the resistance of incumbents. The last two models are regarded by some transitologists as largely unsuccessful because they result in 'too much' popular participation in the democratisation process – 'transition through reform' (non-violent mobilisation of the masses) and 'transition by revolution' (violent mass mobilisation).

A new, more inclusive model is necessary to rectify the imbalance between elite actors (the top-down approach) and the popular classes (the bottom-up approach). What is needed is a model in between these two extremes, one which acknowledges the input of elite political actors but more importantly, also incorporates the actions of the labour movement. Elite-led transitology's focus on the upper echelons of government fails to account for the labour movement's opposition and its role in contributing to the breakdown of authoritarian governments. The preoccupation with the negotiations and bargaining at the highest levels of government obscures the wealth of evidence which shows that democracy is also brought about by the actions of the popular classes – in this case, the labour movement.

The model developed in this thesis moves beyond the static models adopted by elite-led transitologists which focuses on four main political actors – the hard-liners and reformers

(soft-liners) within the authoritarian government and the radicals and moderates in the opposition. For elite-led transitologists, the transition is essentially about the deliberations between these four actors. These deliberations are viewed as crucial because they result in a compromise – as seen in chapter 1, elite-led transitologists argue that the threat of a coup from the hard-liners forces the moderates in the democratic opposition to compromise, thus leading to the installation of a conservative, democratic government.

The focus on the actions of elite actors, however, is deliberate. A 'successful' transition equals a moderate opposition and most importantly, it is considered successful because of the exclusion of the 'radical' left from the bargaining process – that is, the popular classes. The role that is ascribed to the more militant sectors of the popular classes is largely seen in negative terms – some mobilisation of civil society is acceptable, but too much is dangerous. This is because mass mobilisation is seen as potentially destabilising:

> All attempts at revolutionary transformation have not merely failed; they have been a powerful factor leading to the emergence of authoritarian rule ... any such attempt in the foreseeable future will be much more likely to induce similar authoritarian reversals than to achieve whatever egalitarian goals may be claimed by revolutionary movements.[2]

The model constructed in this thesis argues the exact opposite – the evidence from Mexico, Brazil and South Korea demonstrates that the mobilisation of the labour movement and broader pro-democratic social forces is desirable and necessary. Labour did not cause an authoritarian reversal, indeed, it pushed the transition to democracy forward in each case. Elite-led transitology's definition of civil society includes professional and middle class associations, human rights groups, workers, intellectuals and church groups. None, however, are given particular prominence. Lumped together under a broad banner, the popular sector is not important in its own right for elite-led transitologists – it does not cause the transition, nor is it responsible for maintaining the democratic momentum. Those classified as being part of the popular sector during the democratic transition are not regarded as important political players – their only importance is in a minor role as

[2] O'Donnell, 'Introduction to the Latin American Cases', in O'Donnell and Schmitter, *Transitions from Authoritarian Rule: Latin America,* Vol. 2, *op.cit.*, p.10.

supporting actors. The main purpose of the popular classes, according to O'Donnell and Schmitter, is to strengthen the position of the democratic opposition in their bargaining with the elites of the authoritarian regime. There is no analysis of the opposition mounted by the popular classes because it is seen as temporary, destabilising and therefore ineffective in achieving any long-term political change. The argument presented here, however, shows that labour played a leadership role in the democratic transition – its actions were not limited to merely strengthening the hand of the opposition in its dealings with the authoritarian regime. The labour movement was not at the margins of democratic politics. Moreover, this leadership role has a qualitative impact on the nature of the transition. In fact, workers are at the very centre of the political spotlight as pivotal actors. The transition in each country was not solely the result of decisions made at the top levels of government, as elite-led transitology would have us believe. Rather, it was a combination of actions from above, combined with pressures from below. This provides a better and more balanced model for understanding democratic transitions.

Elite-led transitology overlooks the context in which the labour movement emerges to challenge authoritarian regimes – while it may acknowledge a role for popular resistance, it neglects to explain why labour revolts in different ways and how it interacts with other social forces to bring down authoritarian governments. This is an important analytical aspect that is missing in elite-led transitology – all of these factors are not only vital to the transition, but they determine the qualitative nature of the transition. Therefore, what is needed is a model which incorporates decisions from above (the role of elites) with actions from below (popular resistance). Such a model provides a better explain for how popular protest emerges and the impact it has on democratisation processes. These aspects will be analysed in the following sections.

HISTORICAL FACTORS

In each country, the labour movement's form of opposition was the result of historical factors. This, in turn, influenced the nature of the government's response. The context in which labour emerged on a massive scale to openly defy authoritarian regimes has not received any attention by elite-led transitologists who prefer to focus on short-term factors

in explaining authoritarian breakdowns. However, by taking into account the long-term factors, we can shed light on why transitions to democracy followed different paths in all three countries.

Labour in Mexico was incorporated into the ruling structure – albeit a subordinate role – from early on. The Mexican revolution highlighted the need to construct a state where rebellious workers and peasants would not only be tamed, but also tightly controlled. In particular, the relationship between the Mexican state and workers emerged during the revolution. Carranza's deal with the COM workers in order to gain their support against the peasant armies of Villa and Zapata set the precedent for future state-labour relations. In return, workers received state support. It was the leaders of the mass organisations, however, who received the benefits associated with state support, not the rank-and-file. Incorporation hid an undemocratic reality – labour independence was an illusion. The bureaucratic organisations of labour, particularly the CTM, were necessary for controlling the combative rank-and-file and maintaining the hegemony of the PRI. The CTM, as well as the CNC and the CNOP, were organised to serve the interests of the PRI and to ensure that the authoritarian system ran smoothly based on a combination of repression and co-optation. Mass mobilisation was tolerated as long as it did not fundamentally threaten the foundations of PRI rule. The 'perfect dictatorship' was thus created, but it was a system with an inherent flaw – continued economic growth was necessary in order to maintain stability and keep dissenters at bay.

Throughout the decades leading up the 1976 *insurgencia obrera*, independent worker mobilisation presented an ongoing threat for the PRI and its undisputed control over the unions. This represented the PRI's worst fear – given labour's strategic position in the PRI state, it could potentially inflict massive damage on the state. This potential was particularly evident in the railroad disputes of 1947 and 1958-59. Both were driven by worker opposition to the authoritarian system of *charro* control over the unions. Although these disputes were crushed by the government, they were part of a broader movement beginning to openly call for democratic change – in short, they were a sign of things to come.

The labour insurgency was a concerted attempt to break free from within the structures of PRI control and to break out from decades of stifling *charrismo* – no small feat. Lack of union democracy and *charro* control over workers was a source of resentment within the labour movement. When the labour insurgency exploded onto the scene, it received wide support within a short space of time, not only from other unions (blue and white-collar), but also from the middle and popular classes. This was because the *insurgencia obrera* campaigned for broader democratic reform, rather than just workplace issues. Its protests and demonstrations mirrored the same demands made at Tlatelolco in 1968. Labour was able to tap into the frustrations of the hundreds of thousands of Mexicans who had joined the pro-democracy movement in 1968. Almost ten years later, these frustrations were still visible despite Echeverría's attempts to defuse the tense political situation with his *'apertura democrática'* following the Tlatelolco massacre in the early 1970s.

The PRI, however, could not be brought down in the short-term. Labour was unable to directly unseat the PRI because it was a government which reached into all corners of society. It was a vast system of control which was able to weather the storm because of an extensive network of bureaucratic organisations and institutions that were able to withstand labour's onslaught. Moreover, the PRI system could also count on co-opting potentially rebellious workers, one of the government's main methods of counter-acting dissent. Nevertheless, the labour insurgency was able to inflict a crippling blow on the regime – it destabilised and largely weakened the PRI. The labour insurgency contributed to the transition because it initiated a crisis of faith in the PRI amongst large sectors of the bourgeoisie. In their view, the government allowed the labour insurgency to go on for too long. It was seen as a sign of weakness – the PRI was slipping and had lost its legitimacy. Unable to maintain its tight grip on workers, the PRI could no longer guarantee that the private sector's material interests would not be threatened as a result of ongoing industrial strikes. They had lost their faith in the ability of the PRI to control a historically rebellious labour movement – they withdrew their support and turned to the PAN as the party that represented their interests. The actions of labour, therefore, set in motion the sequence of events that eventually forced the PRI from power in 2000.

The labour movement in Brazil was historically excluded from the ruling alliance and violently repressed. Unlike the Mexican case, the Brazilian state did not create bureaucratic

organisations in an attempt to present itself as a champion of the workers. Just like Mexico, however, it also relied on crude force to subdue the labour movement. This was more necessary in Brazil because of the tenuous nature of state power. Even though the Mexican state was regularly faced with working class opposition, its foundations were much more solid. Under the Old Republic, the alliance which ruled Brazil was by no means stable. What kept it together, however, was an agreement that the popular classes, particularly the labour movement, would be repressed and excluded from politics. This agreement continued after Vargas came to power in the 1930 'revolution' – he was able to successfully juggle the different class interests that made up the new regime. At first, Vargas did not need to cater to the working class because unlike the Mexican state, the Brazilian state at this time had not come to power as a result of deals struck with the working class. It was not beholden to labour and therefore, there was no need to utilise the labour movement as a political resource in coming to power, which was the opposite in Mexico.

The *Estado Novo* set a precedent for the military dictatorship – it was one of the most tightly controlled systems of corporatist labour relations in Latin America. The regime relied on pliant labour leaders, *pelegos*, to enforce government directives and to keep the rank-and-file in line. The Brazilian state focused on demobilising labour while the Mexican state allowed mobilisation so long as it could be regulated and controlled by the PRI – a far cry from an independent labour movement. Labour's fortunes did not improve during the democratic period – they were viewed primarily as a source of votes and were often manipulated by politicians for self-serving purposes. Almost four decades later, the labour movement reversed its historical exclusion from the political stage with the emergence of the PT. It was a party formed by workers outside of the military dictatorship's control – indeed, the labour movement was breaking in from the outside. This was a major breakthrough in Brazilian politics – the popular classes had been ruthlessly prevented from forming any genuine political party throughout Brazilian history. Now, a party which genuinely represented worker interests had not only been formed, but it was contesting elections in a bid for the presidency.

The military, however, would not step down until it had found a moderate politician to replace it – there was no question of permitting a left-wing labour party to rule Brazil. The

elite agreement which had emerged out of the 1930 revolution was still in place – the labour movement was excluded from vying for the top position. The outcome was a government dominated by conservative political elites – the military maneuvered to install a civilian president who it found suitable. Tancredo Neves guaranteed the military that it would be immune from future prosecution for its abuses of human rights. Although Neves died not long after, this set the wheels in motion for the 1989 direct presidential elections in which another member of the civilian elite, Fernando Collor de Mello was elected. The PT, nevertheless, was able to build its electoral strength over the next two decades and eventually came to power in 2002.

The labour movement was brutally repressed in South Korea and suffered devastating setbacks from an early period. Similarly to Mexico and Brazil, it was forced to contend with a state which was determined to crush the threat posed by an organised working class. The Japanese ruthlessly persecuted labour because it was the most organised form of popular opposition under colonialism. There was brief respite for labour, however, after the end of World War II. In the period of widespread mobilisation that followed, workers openly formed a genuine leftist labour union – *Chun Pyung* – and organised grassroots people committees which declared the Korean People's Republic (KPR) in September 1945. This open environment was intense, but brief. The US geo-political strategy of communist containment, coupled with the Korean War, severely weakened the newly revitalised labour movement. With US backing, Syngman Rhee systematically destroyed what was left of the labour movement. Unlike Mexico (or Brazil during its democratic period), there was never any attempt to manipulate labour interests in order to serve the interests of the political elite.

Although labour briefly emerged again in 1960 during the student revolution, the emergence of Park's dictatorship barely a year later was the beginning of a dark era for the working class. Park wasted little time in establishing a network of fear, terror and intimidation in order to prevent the formation of a powerful labour movement. Trade unions were placed under close supervision and any form of political activity, such as strikes and demonstrations, was strictly prohibited. The only labour organisation allowed to exist under Park's dictatorship – the FKTU – was a bureaucratic puppet of the state with no autonomy. Forced to endure miserable working conditions for the sake of rapid

development, labour protest began to emerge in the 1970s. This was a huge risk – opposing Park's dictatorship almost certainly meant arrest, torture and even death. Even in a climate of harsh repression, workers criticised the regime and its policies of rapid industrialisation. Park's assassination in 1979 gave the labour movement some breathing space and once again it sprang into action, organising and striking on a large scale. Chun's rule, however, represented another temporary setback for the labour movement. But the major difference now was that the labour movement was larger and stronger than in previous decades – it also had the support of broad sectors of society. Mass pressure for democratic change resulted in the 'democracy declaration' in June 1987. Massive labour strikes came hot on the heels of this declaration and followed with heightened intensity in the following year.

Even though the labour movement was more powerful in South Korea than in the other two case studies, the outcome was a government which excluded labour. As a result, labour did not produce an independent political expression of its own. Labour's militancy, however, bulldozed the path for middle class opposition to take centre stage – via various compromises with Roh Tae Woo and the military (the old regime), Kim Young Sam emerged as a candidate who had his political base of support in the middle class. The beneficiaries of the transition, therefore, were the opposition forces who made their peace with both elements of the old regime – Kim Young-Sam and the Grand Coalition and the middle classes, who sought an end to ongoing worker mobilisation and supported the formation of a civilian government which repressed and excluded labour.

ELITE SPLITS

Elite-led transitology fails to explain how three different factors are interrelated – the way in which elite splits occur, the reasons behind the split and how the labour movement and mass pressure influence the splits. The model put forward by elite-led transitology requires substantial revision is in the role it ascribes to internal factors. The breakdown of an authoritarian regime is the result of an elite split, according to elite-led transitology. Once this split occurs, the transition to democracy is then negotiated by the four main political actors and usually follows one of the more common paths – 'transition through pact' or 'transition through imposition'. This thesis has shown that none of the three case studies

follow a similar path in their transition to democracy. Instead of viewing the transition as a process which is caused by elite dissension, this thesis has argued that it was other factors which were responsible for the split, namely, the opposition mounted by the labour movement. Furthermore, elite-led transitology views the transition as a series of negotiations under pressure through which the authoritarian government shifts towards cooperation with the moderate elements of the opposition.[3] But it does not explain adequately why the authoritarian government cooperated to install a democracy in the first place. It cooperated because it was forced to negotiate with the opposition as a result of mass pressure from below. This pressure from below was so widespread and intense, particularly in Brazil and South Korea, that the costs of staying in power were calculated as too high.

Although elite-led transitology provides a brief account of how the popular classes mount their opposition to authoritarian regimes, it does not analyse how pressure from below influences both liberalisation and democratisation. All of the case studies demonstrate that liberalisation and democratisation are not straightforward processes of deliberation between elites, rather, it is an ongoing struggle that is constantly being pushed forward by the actions of the popular classes, in particular, the labour movement. O'Donnell and Schmitter recognise the importance of mass mobilisation but it is only after there has been a split within the authoritarian government and after the soft-liners have instituted steps towards liberalisation:

> ...Once the soft-liners have prevailed over the hard-liners, begun to extend guarantees for individuals and some rights of contestation ... a generalised mobilisation is likely to occur, which we choose to describe as the 'resurrection of civil society'.[4]

But the labour movement is active *before* the split and indeed, its pressure tactics complicate the seemingly natural progression from authoritarianism to democracy. In each country, controlled liberalisation was enacted as way of defusing social discontent with repressive and unpopular policies. Governments resisted democratisation until they had no

[3] Whitehead, 'Democratic Transitions', in Krieger, *op.cit.*
[4] O'Donnell and Schmitter, *Transitions from Authoritarian Rule*, Vol. 4, *op.cit.*, p.48.

choice but to respond to increasing mobilisation. Liberalisation acquired a momentum that could not be contained. Popular pressure was first applied by the actions of the labour movement. It started a chain reaction eventually leading to a democratic transition. Especially in Brazil and South Korea, massive demonstrations made it impossible to ignore demands for democracy.

In Mexico, the PRI started to feel the effects of mass pressure for change following the Tlatelolco massacre in 1968. Indeed, the pro-democracy movement of 1968 shattered the myth of the PRI's undisputed hegemony and shook the PRI to its core. Shocked at the widespread nature of discontent, the PRI was forced to initiate liberalisation measures under Echeverría in order to placate those who demanded democratic reform. Liberalisation, therefore, was brought about under the pressure of a volatile population – it was not a premeditated move carefully arranged and negotiated between elites. Echeverría's 'democratic opening', however, was not intended to democratise the system – the regime sought to placate the more moderate elements of the opposition and in the process, to cause a split between those who were satisfied with such limited measures and those who demanded much more. It was a classic PRI tactic designed to weaken the opposition by causing dissension within the ranks of the democratic opposition. What Echeverría did not count on was that the labour movement would mount the largest and most militant opposition in Mexican history during the *'apertura democrática'*. The labour insurgency tested the limits of the democratic opening and represented a turning point in PRI history – it seized this opportunity to launch huge protests and voice its demands.

Although the government eventually crushed the labour threat, the damage had been done. The labour insurgency cost the PRI the presidency in the long-term. It contributed to the private sector's increasing skepticism about the PRI's ability to contain mass discontent – elites reacted to the labour insurgency by withdrawing their support and thus, the popular upsurge set the wheels in motion for the party's demise. Echeverría's populist policies and Lopez Portillo's bank nationalisation led to a rupture in the relations between the state and the private sector – business deserted the PRI and entered politics by supporting the PAN, the party which won the 2000 elections. The demise of the old regime however, did not occur within a short time after the upsurge as it did in Brazil and South Korea. The reasons for this were unique to the Mexican case – the PRI was a monolithic structure that could

not be brought down overnight. It was a lengthy, complicated process that occurred over the space of several decades. The important point is that the labour insurgency initiated a steady loosening of the PRI's stranglehold and laid the foundations for its eventual downfall.

There were two splits within the elite which followed the PRI's loss of support – the business sector's split from the ruling party and the split within the PRI. The demise of the PRI was not only evident in the abandonment of it by business, but also in the elite split from within its own ranks and the loss of its traditional bases of support. Dissatisfaction with the regime was brewing for several years from within the PRI ranks. Cárdenas abandoned the PRI and formed the PRD with other political elites because they were critical of the PRI's neo-liberal turn. They felt that the party has discarded its roots and demanded democratic reform. This split was years in the making – mass pressure on the government to initiate a democratic transition resonated with disgruntled elites within the PRI. This pressure intensified during the economic crisis of the early 1980s, the effects of which were still being felt when Cárdenas and the PRD ran for the presidency in 1988. The amount of popular support that Cárdenas received is indicative of the frustration that millions of Mexicans felt towards the PRI. The formation of the PRD was a major threat to the Mexican political system, given that this opposition fundamentally undermined the PRI's support base. Large numbers of the urban poor, students, peasants, workers and sectors of the middle class supported the PRD because they were unhappy with the neo-liberalism of the PRI and felt abandoned in the wake of extensive economic restructuring. Many supported the Cárdenas campaign as a protest. Economic downturn resulted in a loss of legitimacy for the party which was responsible for maintaining the 'perfect dictatorship'. The popular classes were attracted to the PRD because of its pro-democracy and social welfare platform. The split in Mexico, therefore, was the culmination of a process of political change which was sparked off by Tlatelolco and gained momentum with the labour insurgency. The actions of labour were a catalyst in the political ferment which created the necessary conditions for the defeat of the PRI in 2000.

The military's decision to liberalise in Brazil was not only motivated by the need to defuse increasing social dissent, but also to deal with the threat posed by the hard-liners within the regime. The *distensão* was intended to strengthen the position of the soft-liners vis-à-vis the

hard-liners who controlled the security forces and were keen on instituting even further repressive measures. In order to consolidate his own position within the government, Geisel sought to neutralise the hard-liners through liberalisation. It was also an attempt to curb the hard-liner excesses of the Médici regime – Geisel was fully aware that the harsh repression of the Médici period had damaged the military's credibility.

Just like the Mexican case, liberalisation was seen as a way of counteracting dissent while maintaining a tight grip on the reins – it was never intended to genuinely lead to democracy. This, however, is exactly what happened. Similarly to Mexico, once liberalisation got under way, the regime soon found itself faced with opposition on several fronts and the most dangerous challenge came from the labour movement. Opposition to the regime was troubling for the military because it was not limited to a small part of the population. Important sectors of business led an 'anti-statism' campaign against the government, '*desestatizasão*', calling for an end to state interference in the private sector. Segments of the Catholic Church, along with students, also voiced their opposition to the dictatorship and its economic policies. Popular and grassroots forms of political and community mobilisation also emerged in the poor, urban areas of Brazil.

When the new unionism emerged, the military faced internal tensions of its own between the soft-line and hard-line factions – tensions which had existed since the beginning of the military dictatorship. The difference, however, was that the split became politically salient with the new unionism and the popular protests which erupted from the late 1970s and onwards. The *novo sindicalismo* complicated the already existing split between the hardliners and the softliners who were now divided over how to deal with the threat from below. The new unionism exploited this split with strikes and demanded democratic reform while it continued to form more alliances with other anti-authoritarian social forces. The build up of mass pressure, in conjunction with the economic crisis, eventually forced the military to retreat. There was overwhelming pressure from below and the military had no choice but to allow direct, presidential elections in 1988. The elite split in Brazil, therefore, occurred as a result of internal tensions which, in turn, were exacerbated by differences in opinion over how to respond to popular protests. The *novo sindicalismo* used this opportunity to press for an end to the system of worker control and more importantly, to lead the pro-democracy movement and the transition. It was the working class, rather than

the middle class which was the main force for democratic change in Brazil. This contrasts with South Korea where the middle classes played a large role in the transition – despite worker mobilisation, the middle classes benefited the most from the South Korean transition.

In South Korea, liberalisation was driven by the need to prevent mass insurrection. The Y.H. incident in 1979 sparked a popular upsurge against the regime. Widespread protests against the regime split the elite and resulted in liberalisation. Chun, however, quickly moved to reassert authoritarian control in the period following Park's death. But by the early 1980s, harsh repression could no longer keep a lid on the opposition to authoritarianism. It had become so intense and so extensive that Chun was forced to initiate liberalisation. Similarly to Mexico and Brazil, the purpose of liberalisation was to prolong authoritarian rule indefinitely – there was never any intention of relinquishing control. The result, nevertheless, was unintended. Liberalisation opened the floodgates for mass pressure to democratise the Korean system. Beginning in 1984, mass mobilisation dominated the national scene. Student organisations, labour unions, church and womens' groups, as well as opposition politicians mounted a relentless campaign in favour of direct, democratic elections.

Nationwide alliances between the newly formed opposition party, the NKDP and student groups, youth, labour unions and religious organisations resulted in the formation of the People's Movement Coalition for Democracy and Reunification (PMCDR). The PMCDR was typical of the various pro-democracy coalitions that emerged in this highly politicised climate. The reactivation of civil society on such an unprecedented scale dealt a severe blow to the regime. By 1987, it could no longer contain the millions of South Koreans who were taking to the streets. The possibility of revolution split the elite and resulted in a major concession – the 'democracy declaration' of June 1987. Immediately after the democracy declaration, the labour movement sprang into action. In the months that followed, Korean workers launched militant strikes during the 'hot summer' of 1987. The elite split gave labour the opportunity to test the limits of the regime's commitment to democratisation.

The worker offensive, paradoxically however, led to the emergence of a conservative, democratic government. When strikes continued into 1988 and 1989, the middle classes'

initial support for the workers waned – the continuation of labour unrest threatened their material interests. Combined with the government's propaganda blitz against the unions, the middle classes now backed government repression of the workers. On the other hand, the *chaebol* became deeply distrustful of the government – they felt that the crackdown on labour did not go far enough. The loss of *chaebol* support meant that the government was forced to seek allies elsewhere – the most suitable option was Kim Young Sam. Taking advantage of the factional split in the opposition forces, the government formed an alliance with Kim – the 'Grand Conservative Coalition'. This not only assured them a stake in the future democratic government, it was also designed to neutralise Kim Dae Jung, who was perceived as the more radical in the democratic opposition. For the middle classes, this offered a more stable option than the radical alternatives posed by the worker mobilisation.

Each country, therefore, represents a different model for the interaction between elite splits and popular pressure. In all three countries, intense mass pressure provided a crucial opportunity for the labour movement to push for a transition to democracy. This challenges the model developed by elite-led transitology – the transition to democracy began in each country not because of a calculated, elite decision to carry out a democratic transition, nor was it the result of negotiations at the highest levels of government, at least not in the initial stages. What sparked off the transition was widespread popular dissent spearheaded by the labour movement – it was able to capitalise on elite splits and place constant pressure on governments to democratise once liberalisation was under way.

LABOUR & OTHER SOCIAL FORCES

The strength of the labour movement in each country was also in its links to other sectors in society. Unhappy with the lack of political freedoms and authoritarian controls in general, sections of the middle classes joined powerful, anti-dictatorship movements. Particularly in Brazil and South Korea, the middle classes were repulsed by the actions of authoritarian governments – arbitrary arrests, torture, imprisonment and the lack of civil liberties motivated many to protest against the regime. Economic development also had unforeseen consequences in the private sector. Chafing under authoritarian restrictions and the perceived economic failings of the state, the bourgeoisie in Mexico and Brazil took active

steps to promote democratic change. In Mexico, the result was that an important section of business threw its weight behind the PAN. In Brazil, important sectors of business joined the pro-democracy campaign made up of blue and white-collar workers, the middle class, white collar professionals and students.

The emergence of a powerful labour movement in direct opposition to a repressive regime was the most important result of rapid industrialisation. Economic development brought about by an authoritarian state resulted in changes in the class and economic structure. In each case study, millions migrated from the countryside to urban centres, seeking employment in the industries targeted for economic expansion. As economic growth took off and each country experienced a 'miracle' of its own, not only did the working class grow in numbers, it also developed class consciousness. Concentrated in factories where conditions were harsh and miserable, workers sought to end the broader system of authoritarian control and to demand democratic change. Common to all three case studies is the paradox at the heart of the developmental state – it created the conditions for its eventual downfall. As economic development continued, the working and middle classes, as well as the private sector (particularly those elements which are integral to industrialisation) were strengthened.

Labour's alliances with other classes, however, varied from case to case. In every case, the middle class played an important role in the pro-democracy movement, although it was the strongest in South Korea. At Tlatelolco, middle class protests resulted in a monumental clash with the state. It was the labour insurgency, however, that tapped into the frustrations of other social groups – frustrations which were apparent even almost a decade after the Tlatelolco massacre – students, middle classes, urban poor, white-collar workers. These, however, were different times – the PRI could no longer control pressure from below the way it had previously been able to control it. The *insurgencia obrera* badly shook the structures of the PRI state – uncontrolled mass mobilisation struck at the heart of the PRI. As a result, it scrambled to maintain its hegemonic position by struggling to keep various social groups appeased with economic policies that were geared towards meeting short-term political ends. Labour, however, was ultimately unable to bring down the PRI, but it caused irreversible cracks in the system – the PRI was no longer the impenetrable structure of the past. The outcome of the labour insurgency and popular resistance was typical of the

Mexican case – the government allowed worker mobilisation to go only so far before it used repression and intimidation to crush the threat from below.

In Brazil, it was largely the labour movement that spearheaded the pro-democracy movement. The new unionism immediately began building extensive links with other opposition forces, such as the urban poor and sections of the Catholic Church. Workers demanded an end to authoritarianism and repression while calling for democratic change. This placed the issue of democratic change in the public spotlight. When more and more people protested against the regime and workers became more vocal in their attacks on the regime, the middle class, professional groups such as lawyers and journalists, as well as significant sectors of business also joined the call for democracy. Middle class forces were active in the anti-dictatorship struggle but it was primarily labour that led the opposition to the military regime. Labour's efforts to bring down authoritarian government extended into the electoral arena with the formation of the PT – a powerful political expression of the organised working class.

The middle class element was the strongest in South Korea. They played an active role in the 1960 student revolution and in the anti-dictatorship struggles of the 1960s and 1970s. It was the middle class that led the moderate democratic opposition especially during the 1970s and again in the 1980s. Middle class support in South Korea helped build the labour movement during the period of rapid development. Just like Tlateololco in Mexico, the Kwangju massacre in South Korea also resulted in a major clash with the state. Labour initially enjoyed the support of the middle classes who were sympathetic to the workers' plight. The working class emerged on a large scale after the June 'democracy declaration'. Insurrectionary strikes garnered widespread support against the regime. This case study in particular demonstrates how the working class was able to keep the momentum going in the democratic transition – it was not satisfied with the government's assertions that South Korea was on its way to becoming a democracy. The gap between reality and rhetoric was painfully clear in the factories where crackdowns and brutal repression were still the norm, even after 1988. By striking and taking militant action, workers placed pressure on the government to maintain its commitment to genuine democratic change. In the end, however, the middle classes turned against the labour offensive because it threatened their material interests. The political outcome was disastrous for labour – it was unable to form

its own political expression, a labour party. The 'Grand Conservative Coalition' excluded labour completely and marginalised the more radical sectors of the labour movement.

Elite-led transitology, therefore, does not accord this pressure from below the importance it deserves – by focusing on elite actors, it provides a one-sided picture. Yet, the empirical evidence in all three case studies demonstrates that the labour movements were combative and actively resisted state power even when the risks of doing so were immense. They challenged the very basis upon which the state was constructed and this is why they were so dangerous. If we were to uncritically accept elite-led transitology, we would not have a balanced model for analysing the various forces at work which influence democratic change. By looking at labour movements, we can develop a model which shows the complex array of actors and actions – the nature of elite splits, how labour movements influence the split, the constraints under which the labour movement operates, how they interact with other social forces, and how they can bring down authoritarian governments.

Politics has never been, nor will it ever be solely about the decisions made at the higher levels of government. Ordinary people – workers, students, the poor – are also a vital element in the transition story. To ignore the overwhelming evidence which demonstrates this is not only an oversight, it also obscures the broader historical picture. The political economy of rapid development is also an important part of the transition story overlooked by elite-led transitologists. It demonstrates how development affects different classes and how they form alliances or fail to do so. Focusing on political economy yields insights into democratic transitions by providing the context in which labour movements emerge to challenge authoritarian governments. The political story of transitions, however, does not end with the installation of democratic regimes. Consolidation of democracy is the next step and this is an ongoing challenge in each country. Transitions to democracy are still occurring throughout the world today. It is imperative that we understand they are not just the domain of the political elite. Only once popular struggle is incorporated into the analysis, can we have a model which provides a more nuanced perspective.

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